

# **VITAL SIGNS:**

## **New Hampshire Economic and Social Indicators**

### **1992-1995**

*a Labor Market Information Report*

*Prepared by*

Economic and Labor Market Information Bureau  
New Hampshire Employment Security  
January 1997

## ACKNOWLEDGMENTS

The following Bureau personnel were instrumental in the preparation of this Report: Bruce DeMay, *Supervisor*; Martin Capodice, *Research Analyst*; Peter Bartlett, *Economist*; *Labor Market Analysts* Raymon Aldrich, Katrina Evans, and Richard Hocker; and Elisabeth Richardson, *Statistical Clerk*.

We also wish to acknowledge the cooperation of numerous individuals in organizations, both public and private, who generously shared their data and their expertise with us and helped us to find those data items that we needed in order to make this compilation possible.

THE STATE OF NEW HAMPSHIRE  
Jeanne Shaheen, *Governor*

EMPLOYMENT SECURITY  
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## INTRODUCTION

This annual review of New Hampshire economic and social indicators is designed to present, in a concise manner, many significant aspects of the state's economic, social, and environmental structure. Four years of data are reported, when available, in order to depict recent trends. Comparisons are made with other states, the region, or the nation as appropriate.

The data has been drawn from published reports or unpublished records of many state and federal government agencies, and private organizations. We are indebted to the numerous individuals who contributed special information or provided advice on evaluating reported data. In order to conserve space in the tables of indicators, sources are identified by abbreviations in the right hand column. Attention should be paid to notations included with the line titles about data size and time intervals used. Fiscal year data are displayed under the second calendar year involved. For example, enrollments for the 1994-1995 school year are shown under 1995. Whenever possible, 1996 updates are reported along with other information in the summary analysis.

Some of the data items in the tables are available for substate areas. If you need additional data please contact the Economic and Labor Market Information Bureau at (603) 228-4124.

The observations expressed in this report do not necessarily reflect those of New Hampshire Employment Security, and no official endorsement should be inferred.

## 1995 NEW HAMPSHIRE HIGHLIGHTS

New Hampshire population estimate continued upward to 1,148,000 in 1995 and 1,162,000 in 1996. The state has added 53,000 people since the 1990 decennial census. The median age slid up to 34.7 years, two years older than at the census. New Hampshire remained the youngest state in New England.

### Population

Individual school districts in states which had refused Goals 2000 money were allowed to apply directly. Sixteen New Hampshire schools successfully applied and were awarded \$1.3 million. Students in grades six and ten in New Hampshire public schools were, for the first time, given the NHEIAP evaluation assessment.

### Education

The unemployment rate for New Hampshire in 1995 was 4.0 percent, 0.6 percentage points below 1994. The 1996 rate will be even lower. The labor force participation rate continued to ratchet up, and stood at 72.5 percent in 1995.

### Labor Force and Unemployment

New Hampshire nonfarm employment for 1995 averaged 538,800 jobs. Employment in the state finally surmounted the prerecession job level of 529,100 in 1989. The services division added the most jobs in 1995 with 6,600 more. Manufacturing increased by 1,800 jobs.

### Employment by Industry

Both total firms in private industry and total number of employees boasted a 3.2 percent increase. High tech industries continued to grow, rising by 7.9 percent in the average annual number of establishments and by 5.1 percent in average annual employment. Business exports continued expanding also, growing by 26.3 percent.

### Establishments in Private Industry

New Hampshire had the fourth highest energy prices in the nation in 1993. In cost of electricity, the state jumped to number one. By 1998 this may no longer be the case as electrical competition is to be allowed no later than July 1 of that year.

### Energy

The estimated growth rate in gross state product rose 7.3 percent in both 1994 and 1995. Even when factoring in inflation, the increases were 5.0 percent and 4.6 percent respectively. The value added per payroll dollar rose in 1994 after falling in 1993.

### Production

## 1995 New Hampshire Highlights continued

### **Trade, Recreation, and Hospitality**

Total retail sales rose by 1.8 percent. Tourist activity remained healthy, with a 5.1 percent increase in total meals and rooms receipts. The New Hampshire Primary and the New Hampshire International Speedway were big contributors to the state's economy, as was an improved 1995-96 winter sport season.

### **Construction and Housing**

Even though all the contract value indices for New Hampshire dropped, authorized housing permits increased. The number of existing home sales dropped, but the average selling price rose slightly.

### **Transportation and Traffic**

Traffic increased across the state with the largest percentage increases happening at either end of the Kancamagus Highway. The postal service initiated the handling of over a billion pieces of mail in 1995.

### **Finance and Banking**

Bank deposits were up for the second year in a row after falling during the previous five years. There were five fewer banks in 1995 than in 1994 bringing the total count of banks to 48 fewer than the 105 in 1989. Bank employment is also down, by over 4,000 employees from 1989.

### **Government Revenues and Expenditures**

Business Profits Tax and Business Enterprise Tax combined to bring in \$168.1 million in 1995. Medicaid enhancement revenue in 1995 was less than half of the 1994 money, but still exceeded the meals and room tax collected by over \$9 million.

### **Income, Wages, and Cost of Living**

New Hampshire was the only state to experience a per capita income gain above six percent in both 1994 and 1995. The services division paid out more wages than the manufacturing division in 1995. No division had ever done that before.

### **Social Assistance**

New Hampshire's poverty rate of 5.3 percent was once again the lowest in the nation. Two-year moving averages of poverty rates showed that 2.3 percent fewer New Hampshire residents are in poverty. Welfare reform efforts continued, with a 12.6 percent reduction in AFDC recipients and a 12.9 percent reduction in welfare recipients.

The 1995 ReliaStar State Health Rankings rated New Hampshire the healthiest state in the nation for the second year in a row. 1996 saw New Hampshire drop to fourth, largely due to increased smoking rates. The Current Population Survey estimates that ten percent of New Hampshire residents were without health insurance in 1995.

## Health

New Hampshire's crime index of 2,655.4 per thousand remained the lowest in New England, a position it has held since 1990. Both violent and property crime indexes were down. Juvenile drug offense arrests were up by 5.8 percent, a very small amount compared to 1994's increase of 92.6 percent.

## Crime and Accidents

Automobile emissions have decreased by over 18 percent since 1990. This betters the federal requirement of 15 percent dictated in the Clean Air Act of 1990. Nearly half of all solid waste disposed of in New Hampshire is received by the Turnkey landfill in Rochester.

## Environment

<i>Indicator</i>	<i>1994</i>	<i>1995</i>	<i>Section</i>	<i>Change in Key</i>
Gross state product (1987 dollars)	5.0%	4.6%	7	<b>Economic Indicators</b>
Retail sales	1.6%	1.8%	8	
Home sales	19.1%	-5.6%	9	
Meals and rooms receipts	6.9%	5.1%	8	
Electricity purchased	2.2%	0.6%	6	
Bank assets	4.9%	4.5%	11	
Non-performing loans	21.4%	10.6	11	
Bankruptcy filings	-16.7%	5.0%	11	
Income, per capita	6.1%	8.1%	13	
Wages, average weekly	2.3%	3.8%	13	
Population	1.0%	1.1%	1	
School enrollment (K-12)	2.4%	2.5%	2	
Labor Force:				
Employment, average change	3.3%	2.2%	3	
Unemployment, average change	-29.3%	-13.8%	3	
Nonfarm jobs	4.1%	3.0%	4	
Vehicle registrations	3.0%	0.8%	10	
Persons below poverty level	-22.2%	-31.2%	14	
Criminal offenses	-4.6%	-2.2%	16	
Traffic accidents	7.5%	8.2%	16	

# 1. POPULATION

The New Hampshire population estimate for 1995 was 1,148,000, up 1.1 percent from 1994. This was the highest rate of increase in New England and the 17th highest in the nation. The New Hampshire population estimate for 1996 was 1,162,000 people, an increase of 4.8 percent (53,000 people) since the 1990 census.

The total population change is the sum of the difference between births and deaths (natural increase) and the sum of the difference between in-migration and out-migration. During the early part of this decade, the New Hampshire out-migration was greater than the in-migration. At the height of the recession, the migration loss was more than the natural increase and the state lost population in 1991. By 1992 the migration loss had slowed and was easily offset by the natural increase. Until 1995 the population grew through both natural increase and migration with natural increase contributing the most, but a declining birth rate has changed that. In 1995 the birth rate

declined to the point where the increase from migration was greater than the natural increase.

Among the New England states, only Vermont at 3.9 percent has had a faster rate of growth than New Hampshire since the last census. Rhode Island and Connecticut lost population from 1990 to 1995, and were the only states in the nation with a net loss during the period. The loss in Connecticut may have stopped, since the population in 1995 was

## New Hampshire had the highest increase in population in New England

essentially unchanged from 1994, but Rhode Island continued to lose people. Massachusetts and Maine managed only modest rates of growth since the census, 0.9 percent and 1.1 percent respectively, and over half the Massachusetts' increase occurred in 1995. Ten states had double digit rates of population growth from the

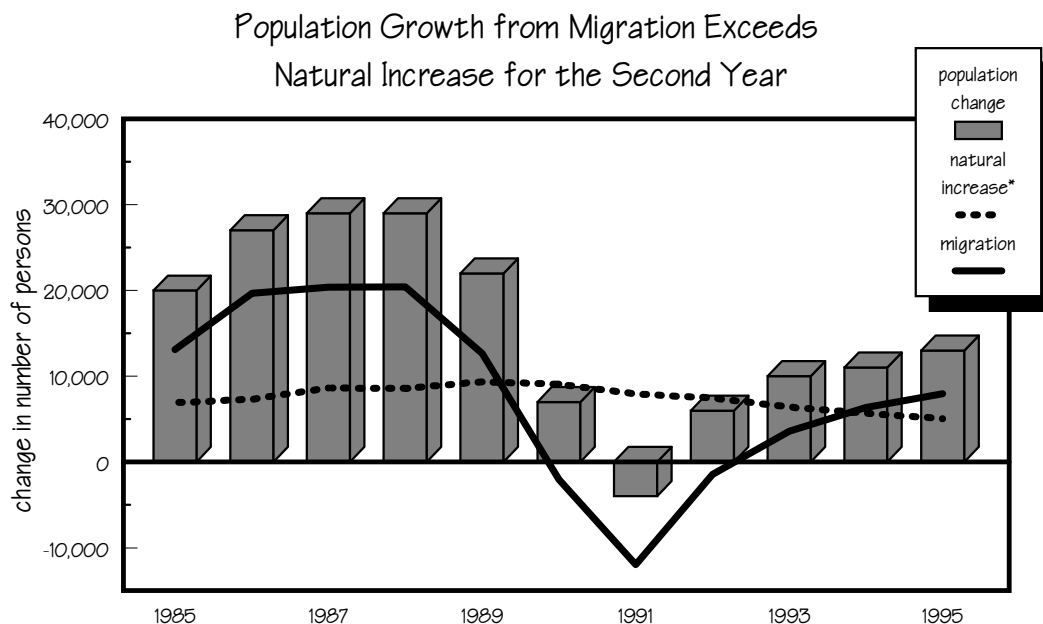


Figure 1.a: Factors of Population Change, Natural Increase\* and Net Migration

\* natural increase = live births - deaths, estimated from number of occurrences

census to 1995.<sup>1</sup> They ranged from Texas at 10.2 percent to Nevada at 27.3 percent. Only two of the ten, Texas and Georgia, are east of the Rocky Mountains.

New Hampshire, along with the region and nation, has been experiencing a steady increase in the median age of the population. In 1995 the median age of the New Hampshire population was 34.7 years, an increase of 2.0 years since the 1990 census. This was lower than the median age of the other New England states, but higher than the nation's 34.3 years. New Hampshire's declining birth rate is evidenced by the declining per-

centage of the under 5 years age group. Nationally, the under 5 age group, which had been increasing, declined in 1995. Meanwhile, the 65 and over age group continued to grow.<sup>2</sup>

The vital records data for 1995 are not strictly comparable to 1994. The data for 1992 to 1994 are counts of events occurring to New Hampshire residents even if the event occurred outside the state. Since there is a delay in the dissemination of residence data among states, the numbers for 1995 were not available. Instead the 1995 numbers were based on in-state occurrences. Occurrence statistics reflect where the event occurs without regard to residency.

The number of marriages declined in 1995, but there were still more than in the years immediately preceding 1994, and the rate per thousand is nearly identical to the 1992 and 1993 rates. Divorces have declined slightly both in total number and rate per thousand. Non-marital births continued its upward trend and rose 1.5 percentage points in 1995. Births to teenage mothers have remained nearly constant for the last three years, and the 1994 number was 418 less than in 1987. In 1994 New Hampshire had the lowest birthrate in the nation for females ages fifteen to nineteen.<sup>3</sup> The rate here was 30 births per 1,000 females compared with a rate of 115 in the District of Columbia. The ten states with the lowest birthrate among teens included all of the New England states except Rhode Island.

*Raymon Aldrich*

Age Groupings Show Where Population Increases and Decreases are Occurring

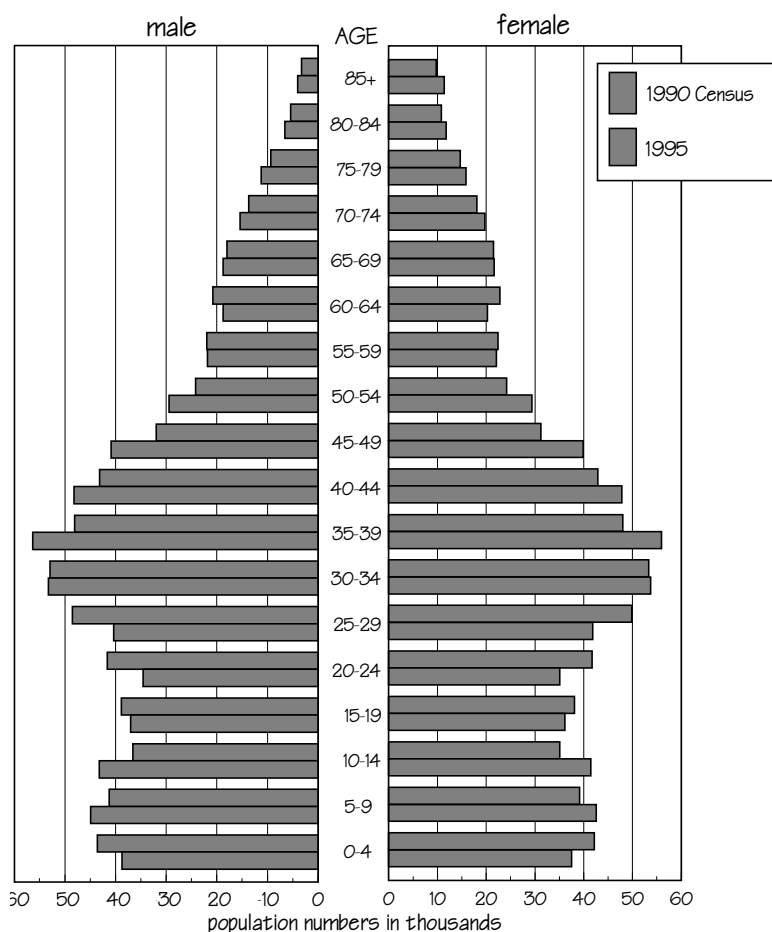


Figure 1.b: New Hampshire Male / Female Population Distribution by Age 1990 and 1995

<sup>1</sup> Bureau of the Census, US Dept. of Commerce

<sup>2</sup> Ibid

<sup>3</sup> "Teen Moms," *U.S. News & World Report*, November 11, 1996, page 14

1. POPULATION	1992	1993	1994	1995	Source
<b>RESIDENT POPULATION</b>					
Population, July 1st (thousands)	1,114	1,124	1,135	1,148	CB
Annual percent change	0.5%	0.9%	1.0%	1.1%	CB/NHES
United States rank	Tie 40 4-way	Tie 29	Tie 20	17	CB/NHES
Percent of change since last census	0.5%	1.4%	2.4%	3.5%	CB/NHES
Population, Males	545,500	551,000	557,100	564,000	CB
Population, Females	568,500	573,000	578,300	584,200	CB
<b>DISTRIBUTION BY AGE</b>					
Under 5 years	7.4%	7.3%	7.0%	6.6%	CB
5 to 17 years	17.8%	18.0%	18.6%	19.0%	CB
18 to 24 years	9.9%	9.6%	8.8%	8.4%	CB
25 to 44 years	34.4%	34.1%	34.6%	34.7%	CB
45 to 64 years	18.7%	19.1%	19.1%	19.4%	CB
65 years and over	11.8%	11.9%	12.0%	11.9%	CB
<b>MEDIAN AGE</b>					
United States	33.4	33.7	34.0	34.3	CB
New England	34.4	34.7	35.1	35.4	CB
New Hampshire	33.7	34.1	34.4	34.7	CB
Connecticut	35.0	35.3	35.6	35.9	CB
Maine	34.8	35.3	35.7	36.1	CB
Massachusetts	34.2	34.4	34.8	35.1	CB
Rhode Island	34.5	34.8	35.0	35.4	CB
Vermont	34.1	34.5	34.9	35.3	CB
<b>VITAL RECORDS<sup>a</sup></b>					
Marriages	9,603	9,618	9,950	9,803	VS
Marriage rate (per 1,000 population)	8.6	8.5	8.8	8.5	VS
Divorces	5,004	5,058	5,110	4,949	VS
Divorce rate (per 1,000 population)	4.5	4.5	4.5	4.3	VS
Live births	15,988	15,417	15,092	14,159	VS
Birth rate (per 1,000 population)	14.4	13.7	13.3	12.3	VS
Births to teenage mothers	1,071	1,051	1,058	n/a	VS
Percent of total live births	6.7%	6.8%	7.0%	n/a	VS
Non-marital births (percent of total)	19.2%	20.6%	22.1%	n/a	VS
Late or no prenatal care (percent of live births)	2.0%	1.6%	1.9%	n/a	VS
Resident deaths	8,524	8,843	8,895	9,107	VS
Crude death rate (per 1,000 population)	7.7	7.9	7.8	7.9	VS
AIDS related death rate (per 100,000 population)	2.6	3.2	3.6	n/a	VS
Infant death rate (per 1,000 live births)	5.9	5.6	6.1	n/a	VS
Natural increase rate (per 1,000 population)	6.7	5.9	5.5	4.4	VS
Net immigration rate (per 1,000 population)	-0.4	3.1	4.3	7.1	NHES
<sup>a</sup> 1995 Vital Records data are occurrences; other years are residential data					

## 2. EDUCATION

By the year 2000 all children in America will start school ready to learn.

- By the year 2000 the high school graduation rate will increase to at least ninety percent.
- By the year 2000 U.S. students will be first in the world in mathematics and science achievement.

These are three of the eight goals of Goals 2000. The New Hampshire Board

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**In May 1996 the federal law was changed to allow individual districts...to apply directly (for Goals 2000 money)**

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of Education had refused to apply for any of the federal appropriation associated with the program. It contended there were too many strings attached to the monies. In May 1996 the federal law was changed to allow individual districts within the five states which had not participated in the program to apply directly. The state board then agreed to this and over eighty local schools districts wrote grants and applied for federal assistance.

The grant had to contain a plan for using the award in a manner that would allow enactment of one or more aspects of the stated goals. Sixteen of the school districts were successful and \$1.3 million total was awarded to the state. Nottingham led the state with an award of \$149,500.

### Technology

Most of the grants written for Goals 2000 funds requested money for increased technology. The New Hampshire Department of Education has established a state technology plan to provide leadership to districts in the districts' attempts to develop and move forward with their own technology plans. Included is assistance in determining what exactly the technology is to do and how it will be implemented. Further the state will advise how the computers will be used, what will be the contents and the software, how an Internet link will be established, and how future financing will happen. To this end the state Department of Education has developed a survey to assess the present situation of every district and the level of technology desired both short term and long term.

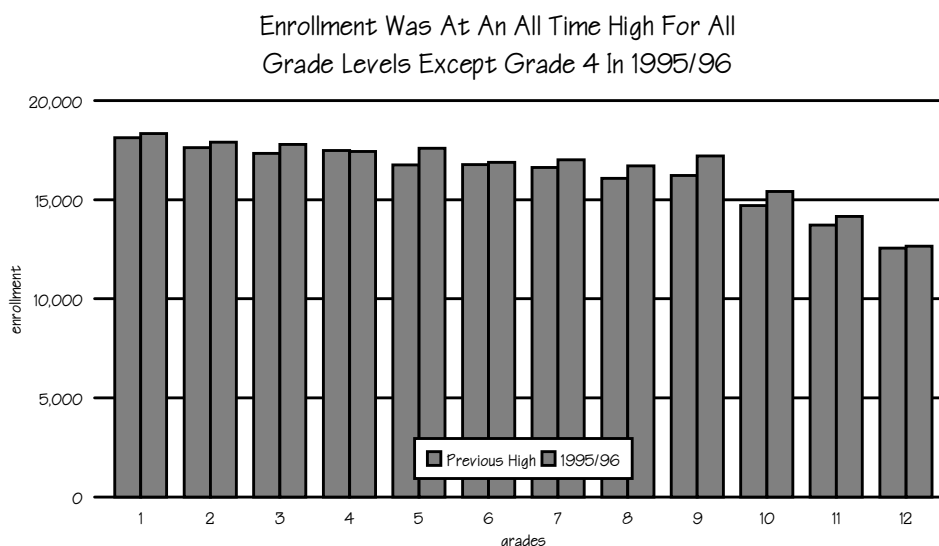


Figure 2.a: New Hampshire School Enrollments by Grade for 1995/96 and the Previous High

## Reading Recovery

Technology is not the only avenue to improvement in New Hampshire schools. The state Department of Education has implemented a reading recovery program. Literacy of all first graders is assessed and the bottom quintile are placed in the program. Each day the student is given a half hour one-on-one lesson from a teacher, specially trained for this task. After twelve to twenty weeks eighty percent of the students come within the average range of their class. Furthermore, fifty-nine percent perform at basic level and above and twelve percent at proficient and above in the New Hampshire Educational Improvement and Assessment Program when tested two years later in the third grade.

## LEIP and Assessment

A Local Educational Improvement Plan (LEIP) establishes goals for improving education in concert with the Improving America's Schools Act. The act establishes high standards and states all students, without exception, can learn. It then requires development and implementation of effective methods for assessing learning. What the student should know is defined and an assessment tool to reflect the range of learning exhibited by the student is then constructed. The local school boards establish the priorities.

The New Hampshire Educational Improvement Assessment Program (NHEIAP) evaluates the progress of the students by annual testing. In May 1996 students at the end of grades six and ten were given the NHEIAP for the first time. Those at the end of grade three had been tested in both 1994 and 1995. As with the first assessment of third graders, the initial results in the higher grades were disappointing. The third grade assessments improved again in 1996. Ninety-five percent of third graders took the language arts test and seventy-four percent were assessed at the basic level or

above. This was up a small amount from 1995. In mathematics, with ninety-seven percent taking the test, seventy-nine percent scored at or above the basic level. This is four percentage points above the 1995 level.

Grade six students had their highest assessment in language arts where fifty-four percent were at basic or above. They had the most problem with science where sixty-nine percent were at a novice level and fewer than one percent were advanced. Tenth graders were also strongest in language arts where sixty-eight percent were basic or above. Their

Grade Three				
Subject	Advanced	Proficient	Basic	Novice
Language Arts	4	25	45	21
Mathematics	10	23	46	18
Grade Six				
Subject	Advanced	Proficient	Basic	Novice
English Language Arts	1	15	38	42
Mathematics	1	11	27	59
Science	<1	9	20	69
Social Studies	4	8	32	53
Grade Ten				
Subject	Advanced	Proficient	Basic	Novice
English Language Arts	2	8	58	26
Mathematics	6	17	27	45
Science	2	19	23	50
Social Studies	1	12	21	60

downfall was social studies where sixty percent fell into the novice category. The proficiency levels are given below.

## School-to-Work

New Hampshire is in its second year of a five year \$13.5 million grant to implement school-to-work. Nearly one-third of the grant, \$4.125 million, was assigned to this second year. Ninety percent of school districts in New Hampshire are developing plans for or implementing school-to-work systems in the 1996/97 school year. School-to-work covers all educational levels. There are five funda-

2. EDUCATION	1992	1993	1994	1995	Source
ELEMENTARY AND SECONDARY EDUCATION SCHOOL					
ENROLLMENT, fall, public & private (includes preschool)	195,240	199,198	204,011	209,150	DE
Growth rates: Total	1.9%	2.0%	2.4%	2.5%	DE/NHES
First grade	-0.8%	2.2%	1.4%	1.1%	DE/NHES
Twelfth grade	3.9%	-1.8%	-0.8%	2.5%	DE/NHES
Career Tech enrollment (secondary) public schools	9,928	10,930	10,903	10,031	DE
Percent of 9th & 10th grade	6.9%	9.2%	11.6%	8.1%	DE/NHES
Percent of 11th & 12th grade	28.4%	29.5%	31.7%	31.3%	
Pupil-teacher ratio (public schools)	15.6	15.5	15.6	n/a	UED
United States rank (including D.C.)	17	Tie 16	17	n/a	UED/NHES
Average Salary of Instructional Staff (public schools)	\$33,931	\$34,121	\$34,720	\$35,792	UED
United States rank	23	22	23	23	UED/NHES
HIGH SCHOOL GRADUATES (public schools)					
Graduation rate (not adjusted for migration)	78.1%	78.4%	78.3%	n/a	UED
United States rank (including D.C.)	Tie 20	Tie 16	16	n/a	UED
Total number of graduates (public schools)	10,349	9,992	9,708	10,117	DE
Enrolled in four-year college	45.2%	47.7%	48.2%	52.5%	DE
Enrolled in less-than four year college	17.6%	16.9%	16.4%	14.6%	DE
Employed or in armed forces	31.4%	29.9%	30.0%	28.4%	DE
SCHOLASTIC APTITUDE TEST (SAT)					
National average	n/a	1,029	1,025	1,035	UED
Rank (among the 23 states and D.C. who administer test)	n/a	1,003	1,003	1,010	UED
Rank (among the 23 states and D.C. who administer test)	2	2	2	3	UED
Percent of high school graduates taking test	76%	78%	69%	70%	UED
EXPENDITURES PER PUPIL (average)					
Total, Net, all purposes (school year)	\$6,099	\$6,044	\$6,084	\$6,449	DE
Annual percent change	0.1%	-0.9%	0.7%	6.0%	DE/NHES
Instruction expenditures	\$3,926	\$4,033	\$3,962	\$4,080	DE
Current expenditures/pupil, average daily attendance	\$6,126	\$5,791	\$5,723	n/a	UED
Expenditures as percent of per capita income					
New Hampshire	26.6%	25.3%	23.8%	n/a	UED/NHES
United States	26.9%	26.9%	26.2%	n/a	UED/NHES
United States rank (1=highest)	24	35	42	n/a	UED/NHES
Revenue sources, percent of total school revenues					
State funds	8.5%	7.9%	8.2%	n/a	UED
National average	46.4%	45.6%	45.2%	n/a	UED
United States rank (District of Columbia not included)	50	50	50	n/a	UED
Local and other funds <sup>a</sup>	85.8%	88.9%	86.2%	n/a	UED
National average	44.3%	47.4%	45.1%	n/a	UED
United States rank (District of Columbia not included)	1	1	1	n/a	UED
Federal funds	3.1%	3.1%	3.2%	n/a	UED
National average	6.6%	6.9%	7.0%	n/a	UED
United States rank (District of Columbia not included)	50	50	50	n/a	UED
CAREER TECHNOLOGY SECONDARY COMPLETERS					
High School Technical Program Completers	3,156	2,876	2,762	2,651	DE

<sup>a</sup> Includes gifts, tuition, and fees from patrons.

2. EDUCATION (Continued)	1992	1993	1994	1995	Source
POSTSECONDARY EDUCATION					
NH COMMUNITY TECHNICAL COLLEGES					
POSTSECONDARY GRADUATES	1,380	1,688	1,569	1,640	CTC
Number employed full-time after six months	759	929	982	910	CTC
Percent working full-time	55.0%	55.0%	62.6%	55.5%	CTC
Percent of those working in New Hampshire	79.4%	79.8%	81.6%	83.6%	CTC
Number continuing education	202	251	204	237	CTC
Percent continuing education	14.6%	14.9%	13.0%	14.5%	CTC
ENROLLMENT, fall total, two and four year institutions	63,859	64,041	62,753	64,406	PEC
DEGREES GRANTED BY NH COLLEGES	12,747	13,552	13,425	14,039	PEC
Associate degrees	2,943	3,343	3,348	4,077	PEC
Bachelor degrees	7,430	7,524	7,546	7,395	PEC
Postgraduate degrees including first professional degrees	2,365	2,580	2,531	2,567	PEC
By Selected Concentration:					
Business management and administration	3,760	3,810	3,584	3,829	PEC
Health sciences including M.D.	923	1,146	1,152	1,431	PEC
Engineering	629	737	669	382	PEC
Computer and information sciences	401	376	350	339	PEC

mental components to school-to-work: work-based learning, career guidance systems, local partnerships, curriculum articulation, and academic and occupational standards.

1. Work-based learning begins in kindergarten with field trips to see people work. The trips continue and the involvement increases as a student progresses. While moving through the grades, each student is exposed to the spectrum of the economy, is made aware of what people in different occupations do. A student might shadow a worker - follow a person throughout the day to see exactly what it means to do the work of that person. The next levels might include internships, apprenticeships, or paid work experiences.
2. Career guidance systems are based on abilities of the individual. From kindergarten on, all students are to be exposed to a variety of careers. Guidance counselors and teachers combine to give everyone the opportunity to explore careers that relate to his or her own interests and goals.

The schools are developing a one-stop career center for use not only by the students but by the entire community.

3. Local partnerships are made up of employers, students, educators at all levels, parents, unions, and community agency representatives. Each local partnership must serve at least one high school. The local partnership, at all levels, provides contacts back to the community for standards, curriculum, guidance; in other words, for all aspects of school-to-work. Parents and local employers are asked to make presentations to the lower grades and then to offer the shadow or the internship as the students develop an interest in an occupation.
4. Curriculum articulation seamlessly links grade schools, middle schools, junior high schools, high schools, 2-year colleges, 4-year colleges, and workplaces. Local, regional and state school-to-work partnerships work together to address this issue.

5. Academic and occupational standards address the elevated levels of achievement in today's workplace. Employers are making increased demands of the school system. The standards in all academic areas are being raised to meet current and future needs. The schools have been establishing contacts with businesses and the community, and their students are being placed in the work environs. Teachers are also urged to visit the work place to understand the needs of the employers. In some instances teachers do an "externship" where they work in a place of employment to acquire first hand knowledge of the demands of the jobs for which they are preparing students.

The New Hampshire Job Training Council funds six programs to assist out-of-school youth in school-to-work transition. These students are assisted in obtaining a GED and are taught the skills to seek and keep a job. They are then taught job-specific skills and are offered work-based learning opportunities.

Many members of the business community are involved in local, regional, and statewide school-to-work partnerships. The Business and Industry Association, in their publication *An Agenda for Continued Economic Opportunity in New Hampshire*, recommended its members to support the school-to-work initiative.

## Charter Schools

On July 1, 1995 charter schools were sanctioned in New Hampshire. Twenty-five states have legislation allowing them. For the 1996/97 school year there are 481 such schools in existence nationwide, with 105,000 students served by them. Half are in California. Most of the charter schools are at the elementary level. Fewer than one in five is geared toward an accelerated curriculum. Many are chartered to target students with disabilities.

In New Hampshire, the Londonderry Charter School Corporation is further along the path toward a charter than any other group. Its charter was authorized by the school district in a general vote. The proposal submitted to the local school board was disapproved but a hearing officer for the state board of education determined there was not good cause for the disapproval. The state board has agreed to a hearing. If they give their approval, the contract will be voted on by the school district. The Londonderry charter stipulates a school with about 125 students between first and fifth grades.

The Londonderry group has cleared the way for others who follow. Many towns have shown interest in establishing a charter school. Ten groups are nearly ready to submit a charter to the school district.

## SAT

In 1995 the College Board recentered the score scale of the Scholastic Assessment

The Recentering of SAT Scores Added About 100 Points to the Results of NH Test Takers

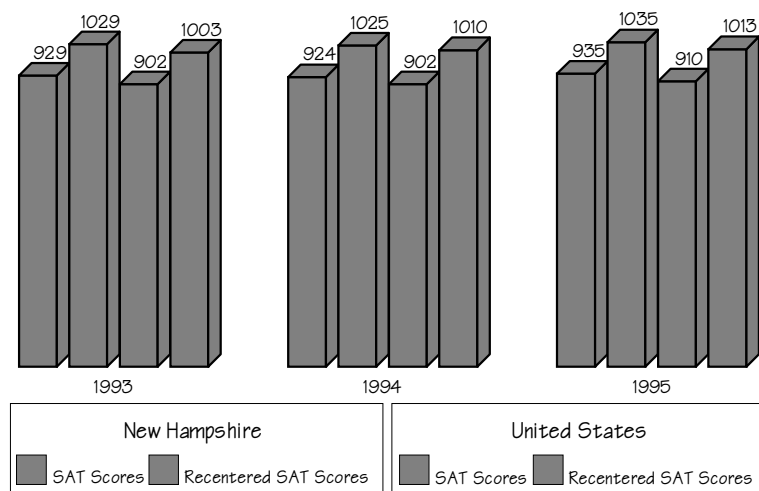


Figure 2.b: Average SAT Scores Compared to Recentered SAT Scores 1993-1995

Test (SAT) I: Reasoning Test. The scale was calibrated in 1941 when the norm was comprised primarily of students applying to the most selective colleges and universities. The effect of the recentering was an increase of approximately 100 points both in New Hampshire and in the U.S. According to figures released by the College Board, students who take the SAT I nationally represent more than 90 percent of new students who will enter four-year colleges in the fall of 1996.

New Hampshire students fared well once again. The 1995 score of 1,035 was the third best among the twenty-three states and the District of Columbia where at least forty percent of graduates take the SAT. Oregon's 1,044 led the group. The State of Washington, at 1,036, was second. Alaska was a very close fourth with 1,034. Seventy percent of New Hampshire high school graduates took the test in 1996. Vermont was the same and only Massachusetts (80), Connecticut (79), New York (73), and

Pennsylvania (71) had a higher percentage. 1996 results had New Hampshire students dropping a point to 1,034. Alaska remained unchanged and tied New Hampshire for third place. Oregon preserved the number one slot with 1,044, followed by Washington with 1,038.

## SafeSchools

The Gun Free Schools Act requires expulsion for 365 days for anyone who brings to school a weapon "capable of expelling a projectile by action of an explosive." Some local districts have gone beyond that and required the same punishment for possessing any weapon. Some students have been expelled. A section on assaults (bullying, fistfights, etc.) has been added. It requires a memorandum of agreement between the police and the school as to how incidents are reported and investigated, and how information of record is shared.

*Martin J. Capodice*

## Construction Costs Nearly Tripled in 1994/5

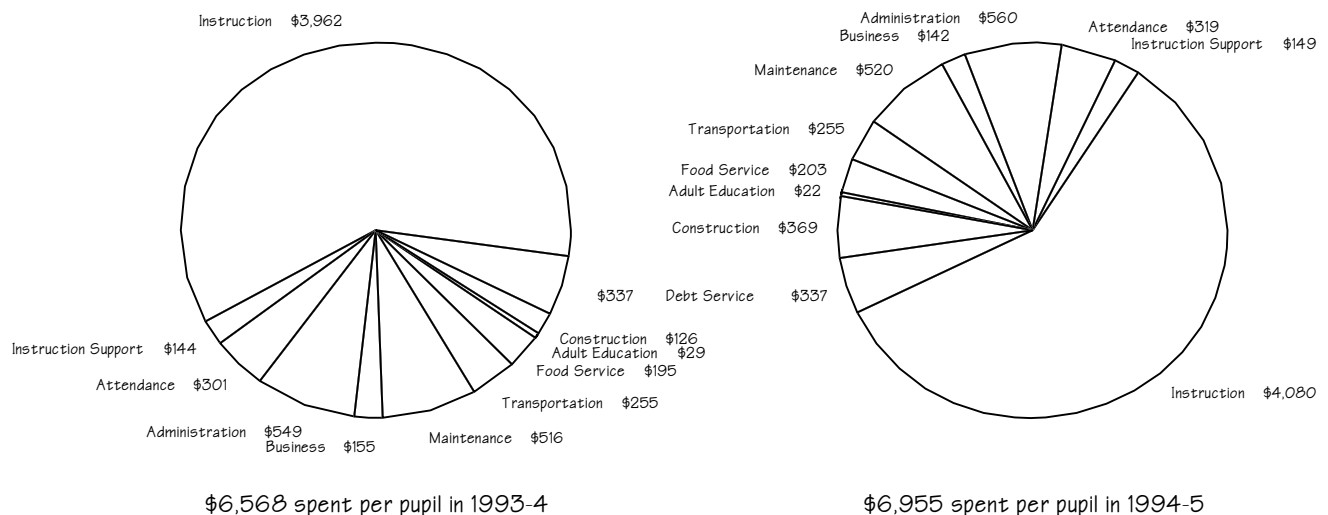


Figure 2.c: New Hampshire Per Pupil Expenditures for the 1993/94 and 1994/95 School Years

### 3. LABOR FORCE AND UNEMPLOYMENT

The New Hampshire labor force continued to expand and annual average employment for 1995 was up 13,000 from 1994. The unemployment rate dropped to 4.0 percent, its lowest point since 1989 when it was 3.5 percent. The 1995 unemployment rate was 0.6 percentage points under the 1994 rate, and 1.5 percentage points lower than the national rate. In both

Unemployment rates for New Hampshire's "experienced" labor force declined in five of seven industry groups. (In this context experienced means previous employment in that industry or occupation.) Trade was unchanged, and the unemployment rate for services was up slightly by 0.1 percentage points. The number of unemployed people in construction dropped dramatically, almost halving the 1994 rate. Unemployment among government workers and the hard hit finance, insurance, and real estate industry improved by 2.9 and 2.3 percentage points, respectively. The unemployment rates for manufacturing and for transportation, communication, and utilities were up by 0.1 percentage points each.

#### New Hampshire's 1994 and 1995 unemployment rates were the lowest in New England

1994 and 1995, New Hampshire had the lowest unemployment rates in New England.

The average duration for unemployment benefits was 10.04 weeks in 1995. Only three states were lower. The average length of time benefits were paid is not the same as the average length of unemployment, 16.9 weeks. Reasons such as continued unemployment after benefits are exhausted cause the difference between the two figures. Also, some people may be ineligible for benefits, and others may be not immediately eligible.

The civilian labor force is those people who are employed plus those who are unemployed and actively looking for a job. The participation rate is computed by dividing the civilian labor force by the civilian noninstitutional population ages 16 years and over. New Hampshire has had one of the highest labor force participation rates in the country for several years, ranking in the top ten states by total and by gender.

Little Change to 1996 NH Unemployment Rate  
While the US Rate was on the Decline

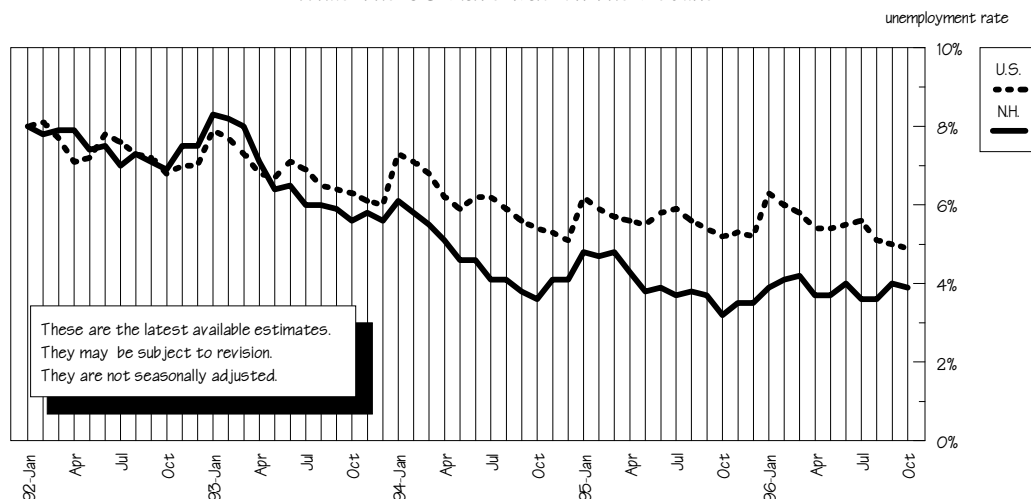


Figure 3.a: NH and US Unemployment Rate Estimates

### Duration of Unemployment Continued to Decline with Long-Term Unemployment Again Showing Largest Drop

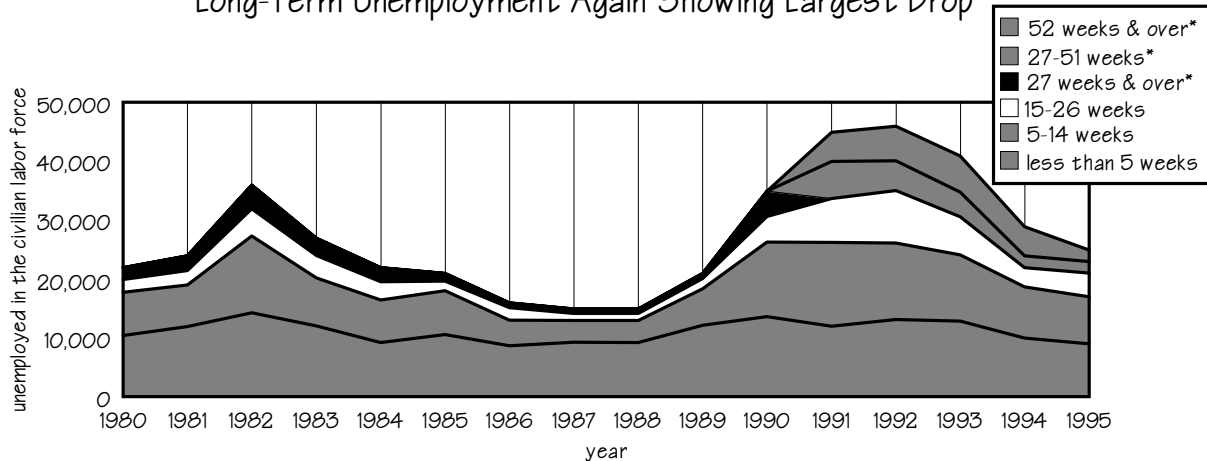


Figure 3.b: Duration of Unemployment 1980-1995  
Annual Averages from Current Population Survey

\*Prior to 1991, no breakout for 27 to 51 weeks

The labor force participation rate for men had some small fluctuations from year to year, but at 80.2 percent is essentially unchanged from 15 years ago. The participation rate for women climbed by nearly nine percent during that period. The unemployment rate had little impact on the participation rates for men and women, but the teenager participation rate dropped during periods of high unemployment. The 1995 teenager (ages 16 to 19) rate is about one percent less than the 1980 rate, but there were some big changes in between. It rose to a high of 71.3 percent in 1984, dropped to a low of 57.0 percent in 1993, and was 64.8 percent in 1995. Some of the year to year changes were as much as six to nine percentage points.

The unemployment rate for teenagers was nearly three times the overall New Hampshire rate for 1995, but this is not unique to this state. Over the last three years unemployment among teenagers in New Hampshire has been lower than the teenager rate nationally, and either equal to or better than the New England rate.

The picture for 1996 isn't clear at this point. The preliminary employment numbers from the Current Population Survey show a small decline in civilian labor force that is puzzling. Both the number employed and the number unemployed appear to be less than in 1995. There are no indications that out-migration is on the rise, or that large numbers are leaving the labor force. Other data indicates continued growth in the number of jobs. The unemployment rate for 1996 could be 0.1 to 0.2 percentage points lower than 1995.

There were three work stoppages from labor disputes in 1995. One idled 202 people for four days, 40 people were out for twelve days in another dispute, and the last affected 121 for six days.

*Raymon Aldrich*

3. LABOR FORCE AND UNEMPLOYMENT	1992	1993	1994	1995	Source
CIVILIAN LABOR FORCE (annual average)	610,000	616,000	623,000	633,000	BLS
Annual percent change	-1.8%	1.0%	1.1%	1.6%	BLS/NHES
Labor force participation rate	72.0%	72.1%	72.2%	72.5%	BLS
United States rank	3	5	8	n/a	BLS
Male participation rate	79.5%	80.0%	78.8%	80.2%	BLS
United States rank	7	5	Tie 10	n/a	BLS
Female participation rate	64.9%	64.5%	65.7%	65.3%	BLS
United States rank	4	8	Tie 5	n/a	BLS
EMPLOYED (annual average)	565,000	575,000	594,000	607,000	BLS
Annual percent change	-1.9%	1.8%	3.3%	2.2%	BLS/NHES
Work full-time - 35 hours or more per week	81.1%	80.5%	79.0%	80.1%	BLS
UNEMPLOYED (annual average)	46,000	41,000	29,000	25,000	BLS
Unemployment rate (annual average)					
New Hampshire	7.5%	6.6%	4.6%	4.0%	BLS
United States rank (1=lowest)	Tie 33	30	9	8	BLS
New England	8.0%	6.8%	5.9%	5.4%	BLS
United States	7.4%	6.8%	6.1%	5.6%	BLS
Men					
New Hampshire	7.5%	7.0%	4.4%	3.7%	BLS
New England	9.1%	7.7%	6.2%	n/a	BLS
United States	7.8%	7.1%	6.2%	n/a	BLS
Women					
New Hampshire	7.5%	6.1%	4.8%	4.3%	BLS
New England	6.7%	5.6%	5.6%	n/a	BLS
United States	6.9%	6.5%	6.0%	n/a	BLS
Teenagers (16-19)					
New Hampshire	24.2%	13.2%	14.1%	11.8%	BLS
New England	17.4%	14.4%	14.1%	n/a	BLS
United States	20.0%	19.0%	17.6%	n/a	BLS
Unemployment of the "experienced" civilian labor force	6.7%	6.2%	4.5%	3.8%	
By occupation:					
Executive, administrative, and managerial	3.8%	4.5%	2.8%	2.7%	BLS
Professional specialty	4.7%	3.8%	2.1%	1.4%	BLS
Technicians and related support	3.6%	4.7%	5.4%	6.1%	BLS
Sales	6.7%	5.3%	3.0%	4.0%	BLS
Administrative support, including clerical	7.5%	5.9%	3.8%	3.6%	BLS
Service occupations	7.7%	5.4%	6.2%	5.4%	BLS
Precision production, craft, and repair	8.3%	8.3%	6.7%	4.9%	BLS
Machine operators, assemblers, and inspectors	9.3%	8.9%	7.3%	3.3%	BLS
Transportation and material moving	6.8%	8.6%	4.8%	2.5%	BLS
Handlers, equipment cleaners, helpers, laborers	12.4%	14.8%	8.7%	7.9%	BLS
By industry:					
Construction	18.0%	14.0%	12.9%	6.8%	BLS
Manufacturing	6.7%	7.9%	4.4%	4.3%	BLS
Durable goods	5.9%	8.1%	3.8%	3.7%	BLS
Nondurable goods	9.0%	7.3%	5.8%	5.7%	BLS
Transportation, communication, and utilities	3.2%	4.6%	2.0%	1.9%	BLS
Trade	9.0%	7.0%	4.7%	4.7%	BLS
Finance, insurance, and real estate	8.4%	3.2%	6.4%	4.1%	BLS
Services	6.3%	6.0%	3.8%	3.9%	BLS
Government	3.8%	3.1%	4.4%	1.5%	BLS

3. LABOR FORCE AND UNEMPLOYMENT (Continued)	1992	1993	1994	1995	Source
UNEMPLOYED (annual average) continued					
Percent of total unemployed:					
Unemployed 15 weeks or more	43.2%	41.2%	35.6%	32.0%	BLS
United States rank (of 51, 1=lowest)	44	42	36	n/a	BLS
Unemployed because lost job	64.0%	57.1%	54.5%	44.0%	BLS
United States rank (1=lowest)	43	37	45	n/a	BLS
UNEMPLOYMENT INSURANCE					
Weeks compensated for unemployment (UI)	468,274	296,334	284,414	224,708	NHES
Benefits paid, unemployment insurance (thousands)	\$64,734	\$44,261	\$43,539	\$39,974	NHES
Average duration, benefit payments (weeks)	11.73	11.08	11.42	10.04	UIS
United States average	16.24	15.94	15.51	14.73	UIS
United States rank (1=lowest)	5	2	7	4	UIS/NHES
Average benefits paid per covered worker	\$131.99	\$85.45	\$82.02	\$64.30	UIS
United States rank (including D.C., 1=lowest)	10	5	5	3	UIS/NHES
National average	\$240.24	\$205.11	\$199.08	\$189.62	UIS
Average weekly benefit amount					
New Hampshire	\$135.55	\$141.55	\$145.85	\$147.58	UIS
United States	\$173.64	\$179.63	\$182.19	\$187.30	UIS
LABOR DISPUTES					
Number	0	1	5	3	NHES
Employees involved	0	40	321	363	NHES

**Note:** Items may not add due to rounding

Those of age 16-19, both sexes, are more likely to cease labor force participation when unemployment is high

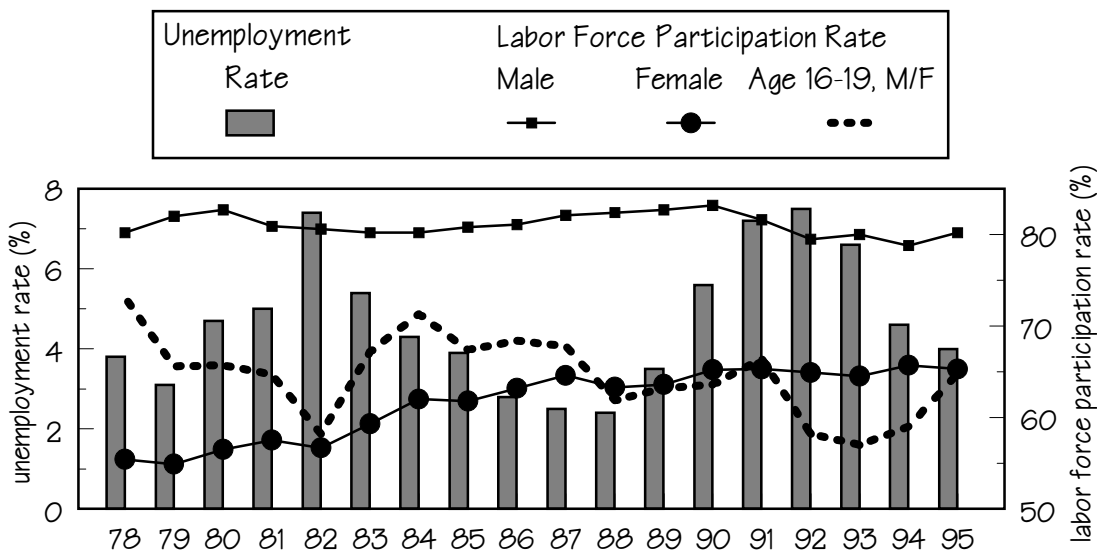


Figure 3.c: Male, Female, and Age 16-19 Labor Force Participation Rates Compared with Unemployment Rate, 1978-1995

## 4. EMPLOYMENT BY INDUSTRY

The Current Employment Statistics program estimate of 538,800 nonfarm jobs in 1995 was an increase of 15,700 jobs from 1994, and 56,700 more than the recession low of 1991. With this increase, employment in New Hampshire has exceeded the previous high of 529,100 set in 1989. The 1995 increase was substantially smaller than 1994 when nonfarm jobs grew by 20,700, but fluctuating government employment accounted for nearly

industry added 2,200 jobs with only limited help from hospital employment. Electronic and other electrical equipment accounted for most of the 1.8 percent increase in manufacturing. Industrial machinery and computer equipment, which has lost jobs every year but one since 1989, lost another 300 jobs in 1995. Wholesale trade added 2,000 jobs for an 8.3 percent gain, and construction led all divisions in 1995 with a 9.0 percent increase in employment.

### CES estimated employment in NH exceeded the previous high set in 1989.

half the difference. Federal, state, and local government employment in New Hampshire grew by 2.4 percent in 1994, and declined by 0.8 percent in 1995.

The two largest divisions are services and retail trade. They again produced the largest number of new jobs (6,600 and 3,900 respectively), but the rate of growth for each was lower than in 1994. Within services, the health services

While the 1995 rate of employment growth in New Hampshire dropped to 3.0 percent from 4.1, it was still greater than the rates for both New England (2.1 percent) and the nation (2.3 percent). Finance, insurance, and real estate, and government were the only divisions to lose jobs; and were the only divisions with percent changes less than the U.S. rate.

Benchmarking of 1994 employment data found services; retail trade; wholesale trade; and transportation, communications, public utilities to be stronger than previously reported. The first estimate

Jobs Growth Continued in 1996 but the Pace Slowed

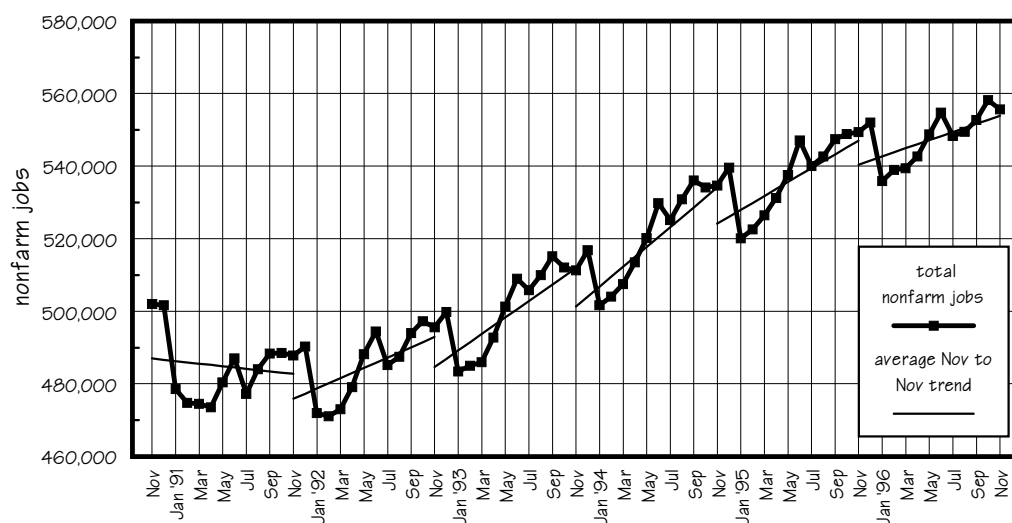


Figure 4.a: Total Nonfarm Employment  
November 1990 to November 1996

Estimates of Nonfarm Jobs for 1996 Probably  
Will Be Revised Upward When Benchmarked

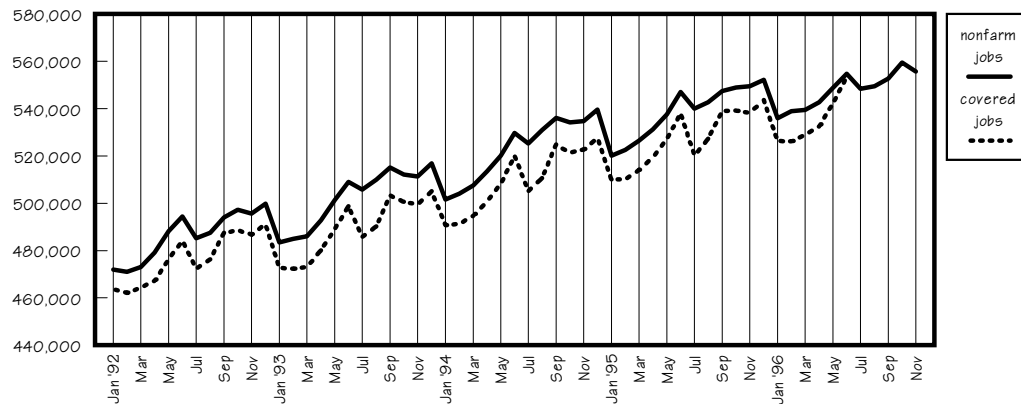


Figure 4.b: Total Nonfarm Jobs Estimates  
Compared with Total "Covered" Jobs Data

for services was an increase of 7,700 jobs, but that has been revised upward by 900 jobs to 8,600. Benchmarking added another 500 jobs to retail trade, 400 to wholesale trade, and 200 to transportation, communications and public utilities. While employment for manufacturing, construction, and government were revised downward, these industries still posted employment gains in 1994. Finance, insurance, and real estate went from unchanged to a loss of 200 jobs making it the only division to lose jobs that year. The net change by benchmarking for 1994 employment data was positive. The annual percent change in employment for all industries was revised from 4.0 to 4.1 percent, and private industries increased from 4.1 to 4.4 percent.

Preliminary data for 1996 is likely to be revised upward. The benchmarking process is expected to show construction activity in New Hampshire has had modest growth with increases in all segments of the division. Manufacturing and transportation, communications, and public utilities should have gains around two percent. Employment in durable goods manufacturing will be stronger than in nondurable goods. Growth in wholesale trade employment will be less than half the 1995 rate. Retail trade may

have an increase of about one percent. The losses in the banking industry should be offset by gains in other areas of the finance, insurance, and real estate division. Services employment is growing faster than in 1995 and probably will lead all divisions in rate of growth for 1996. Health services will again contribute a significant number of those jobs with hospital employment barely holding at its 1995 level. Government employment is set to rebound from last year's loss with most, if not all, of the increase coming from local government.

*Raymon Aldrich*

New Hampshire Employers Have 8.5 Percent of  
Over 6.3 Million Nonfarm Jobs in New England

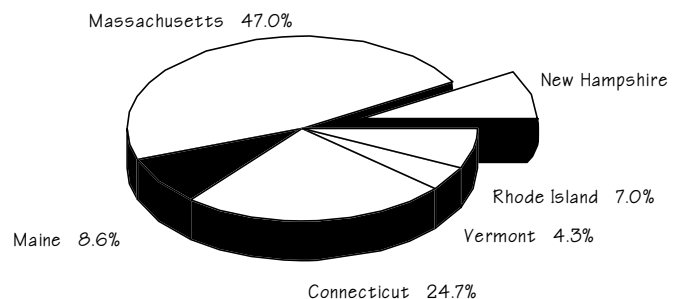


Figure 4.c: Jobs in Nonfarm Employment  
1995 Averages for the New England States

4. EMPLOYMENT BY INDUSTRY	1992	1993	1994	1995	Source
NONFARM WAGE AND SALARY EMPLOYMENT					
ANNUAL EMPLOYMENT AVERAGES (1995 preliminary)					
All industries	486,500	502,400	523,100	538,800	NHES
Private	413,900	428,100	447,000	463,200	NHES
Goods producing	114,200	114,900	118,600	121,900	NHES
Construction	16,300	16,800	17,800	19,400	NHES
Manufacturing	97,400	97,600	100,300	102,100	NHES
Durable goods manufacturing	66,300	65,700	67,600	69,200	NHES
Industrial machinery and equipment	20,000	19,000	19,100	18,800	NHES
Electronic & other electric equipment	13,300	13,600	14,900	16,500	NHES
Instruments and related products	12,000	11,500	10,700	10,700	NHES
Nondurable goods manufacturing	31,100	31,900	32,700	32,900	NHES
Paper	4,700	4,700	4,700	4,700	NHES
Printing and publishing	7,400	7,500	7,900	7,700	NHES
Rubber and misc. plastics products	8,000	8,200	8,800	9,000	NHES
Service Producing	372,200	387,600	404,600	416,900	NHES
Transportation and public utilities	17,300	18,100	19,000	19,700	NHES
Wholesale trade	21,600	23,100	24,000	26,000	NHES
Retail trade	102,000	105,900	110,900	114,800	NHES
Finance, insurance, and real estate	29,100	29,500	29,300	29,000	NHES
Services	129,600	136,600	145,200	151,800	NHES
Health services	40,700	42,000	43,600	45,800	NHES
Hospitals	17,700	17,700	18,400	18,900	NHES
Federal, state, and local government	72,600	74,400	76,200	75,600	NHES
ANNUAL EMPLOYMENT PERCENT CHANGES					
All industries					
New Hampshire	0.9%	3.3%	4.1%	3.0%	NHES
New England	-0.8%	1.4%	2.0%	2.1%	NHES/BLS
United States	0.3%	2.0%	3.0%	2.3%	NHES/BLS
Private					
New Hampshire	1.0%	3.4%	4.4%	3.6%	NHES
New England	-0.8%	1.5%	2.1%	2.3%	NHES/BLS
United States	0.1%	2.1%	3.3%	2.5%	NHES/BLS
Manufacturing					
New Hampshire	-0.8%	0.2%	2.8%	1.8%	NHES
New England	-3.7%	-2.3%	-1.3%	-0.5%	NHES/BLS
United States	-1.6%	-0.2%	1.3%	0.5%	NHES/BLS
Durable goods					
New Hampshire	-1.9%	-0.9%	2.9%	2.4%	NHES
United States	-3.1%	-0.5%	2.2%	2.0%	NHES/BLS
Nondurable goods					
New Hampshire	1.6%	2.6%	2.5%	0.6%	NHES
United States	-0.4%	0.4%	0.2%	-0.7%	NHES/BLS
Construction					
New Hampshire	-5.8%	3.1%	6.0%	9.0%	NHES
United States	-3.4%	3.9%	7.3%	4.7%	NHES/BLS
Transportation, Communications, Public Utilities					
New Hampshire	2.4%	4.6%	5.0%	3.7%	NHES
United States	-0.7%	1.9%	3.0%	3.1%	NHES/BLS
Wholesale Trade					
New Hampshire	-0.5%	6.9%	3.9%	8.3%	NHES
United States	-1.4%	-0.3%	2.7%	3.0%	NHES/BLS
Retail Trade					
New Hampshire	2.8%	3.8%	4.7%	3.5%	NHES
United States	0.4%	2.2%	3.4%	2.0%	NHES/BLS

4. EMPLOYMENT BY INDUSTRY (Continued)	1992	1993	1994	1995	Source
Finance, Insurance, and Real Estate					
New Hampshire	-4.3%	1.4%	-0.7%	-1.0%	NHES
United States	-0.7%	2.3%	2.6%	0.2%	NHES/BLS
Services					
New Hampshire	3.2%	5.4%	6.3%	4.5%	NHES
United States	2.5%	3.9%	4.3%	4.2%	NHES/BLS
Federal, State, and Local Government					
New Hampshire	0.3%	2.5%	2.4%	-0.8%	NHES
United States	1.3%	1.1%	1.5%	0.8%	NHES/BLS

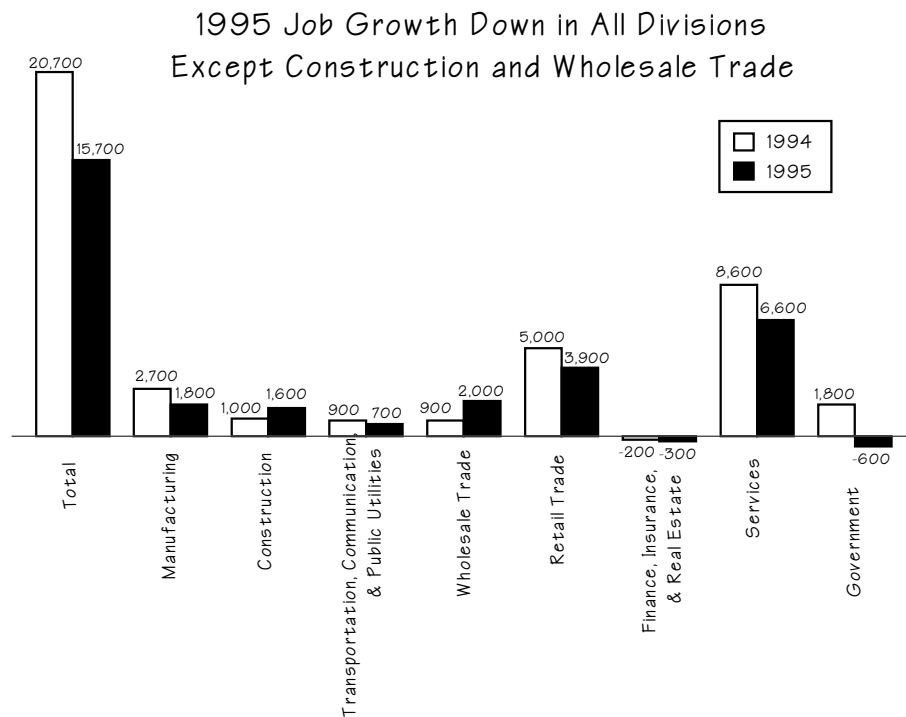


Figure 4.d: November to November Change in 1995 and 1996 in Number of Jobs in NH Nonfarm Employment in Selected Industry Divisions

## 5. ESTABLISHMENTS IN PRIVATE INDUSTRY

Numbers of firms in private industry saw continued growth with 957 total more firms, a 3.2 percent increase. Total number of employees continued up as well, with 14,534 (3.2 percent) more than in 1994. Numbers of firms in each size class all showed some increase, as did numbers of employees in each size class, except of firms with 100-249 employees. They decreased by 2,257 people, a 3.6 percent

class may result in a seemingly drastic change in number of employees for more than one size class.

Not surprisingly, the smallest firms, though highest in number, employed the fewest people; and the largest firms, though smallest in number, employed the most people. Establishments with one to four employees accounted for 56 percent of total firms and only 7.5 percent of employment. Establishments with 100 or more employees, just over two percent of total firms, employed 46 percent of New Hampshire workers. Establishments with 1,000 or more employees, a mere 37, employed the largest percent of the total, 15.5 percent. Fully half of all New Hampshire workers were employed by firms in the four mid-sized firm ranges: 10 to 19 employees; 20 to 49 employees; 50 to 99 employees; and 100 to 249 employees.

Throughout New England, the percent of a state's establishments with 100 or more workers in 1994 remained relatively

**Not surprisingly, large firms employ the most people even though there are far fewer of them.**

drop. Some of the change may be attributable to firms adding or subtracting employees, thereby changing size class. When a firm changes size class, the employee count for the size class it leaves goes down by the entire number of employees in the firm. Concurrently, the employee count for the size class it enters goes up by the entire number of employees in the firm. Thus, a change in size

Fifty Percent of All NH Workers are Employed in Firms of Sizes Ranging from 10 to 249 Employees

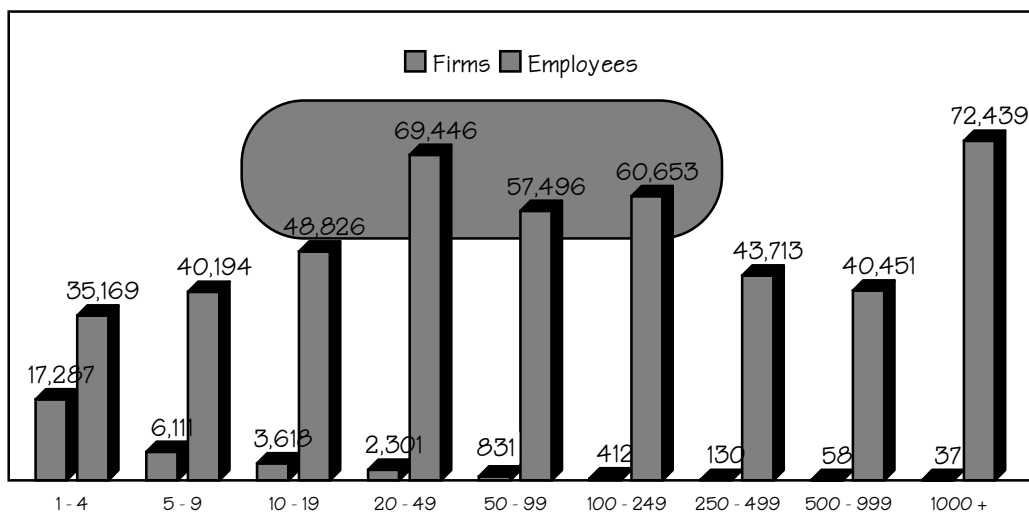


Figure 5.a: NH Firms in Private Covered Employment and Number of Employees by Firm Size, 1995

stable, with Maine having the largest 1993 to 1994 increase. New Hampshire's 1995 figures showed an increase of 27 establishments with 100 or more workers. The percentage grew from 1.76 percent in 1992 to 2.06 percent in 1995.

The Secretary of State's office listed 3,095 new in-state incorporations in 1995, an increase of 3.5 percent. New incorporations for out-of-state establishments were up 4.8 percent to 1,104. There were 4,124 new firms covered by unemployment compensation in 1995, just 42 fewer than the previous year. The number of firms covered by unemployment compensation that terminated was up by 4.9 percent to 4,180.

## Exporting Gains

Business growth has extended into exporting as well, with a 26.3 percent increase over 1994, a total increase of \$1.45 billion, according to statistics from the New Hampshire Office of International Commerce. Most importantly, nearly all industry sectors showed improvement; and the trend continues into first quarter 1996 with a 6.5 percent (\$22 million) gain. Leading the pack was the industrial and commercial machinery and computer equipment industry, with 1995 exports of \$467 million, an increase of \$77 million over 1994. The nearest industrial competitor is the electrical and electronic equipment except computer industry, with 1995 exports of \$208 million, an increase of \$23 million over 1994. Top international trade partners throughout the world include Canada (\$427 million); the United Kingdom (\$96 million); Germany (\$87 million); and Ireland (\$82 million).<sup>1</sup>

## High Tech Industries

Industries with a proportion of technology-oriented workers (such as engineers, life and physical scientists, mathematical technicians, and computer specialists) at

Firms in High Tech Continue to Grow Steadily;  
Employment Gains For the Second Consecutive Year

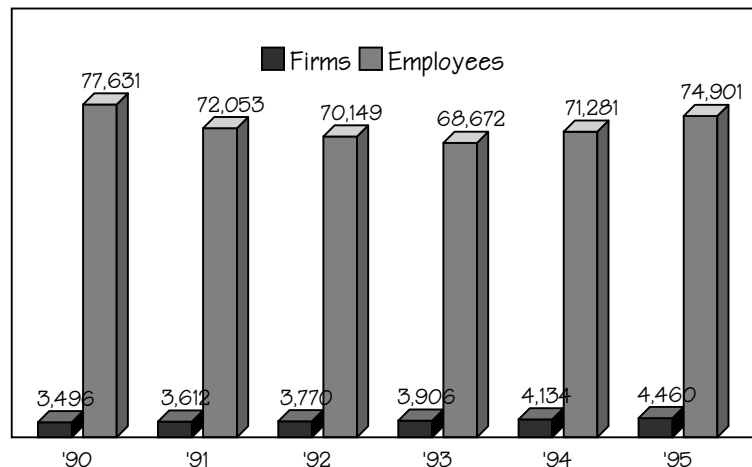


Figure 5.b: Annual Average Number of Firms and Employment, High Tech Firms

least 1.5 times the average for all industries are classified as high tech. High tech industries were no exception to business growth in 1995, with a 5.1 percent increase in average annual employment, a 7.0 percent increase in total wages, and a 1.8 percent increase in the average weekly wage. There was also a 7.9 percent increase in the average annual number of establishments. The 5.1 percent increase in average annual employment in high tech industries surpassed that of total private covered employment businesses, which was 3.2 percent.

## New Initiatives for Small Business

The Small Business Administration (SBA) estimates that 95 percent of New Hampshire businesses qualify as a small business based on SBA guidelines. According to SBA Administrator Phil Lader, one of every twenty New Hampshire businesses has received an SBA loan.

The SBA has worked with Congress, the Occupational Safety and Health Administration (OSHA), the Environmental Protection Agency (EPA), and the Internal Revenue Service (IRS) to develop initiatives that are focused on

5. ESTABLISHMENTS IN PRIVATE INDUSTRY	1992	1993	1994	1995	Source
COVERED (by unemployment compensation)					
EMPLOYMENT DATA					
TOTAL NUMBER OF FIRMS with employment	27,809	28,760	29,828	30,785	NHES
1 - 4 employees	15,489	16,040	16,673	17,287	NHES
5 - 9 employees	5,630	5,773	5,977	6,111	NHES
10 - 19 employees	3,304	3,434	3,524	3,618	NHES
20 - 49 employees	2,121	2,170	2,218	2,301	NHES
50 - 99 employees	699	760	816	831	NHES
100 - 249 employees	379	390	418	412	NHES
250 - 499 employees	104	109	112	130	NHES
500 - 999 employees	47	47	53	58	NHES
1,000 & over employees	36	37	37	37	NHES
NET ANNUAL CHANGE IN NUMBER OF FIRMS	104	951	1,068	957	NHES
NET ANNUAL CHANGE IN NUMBER OF EMPLOYEES					
	6,341	14,018	20,696	14,534	NHES
1 - 4 employees	389	975	998	1,002	NHES
5 - 9 employees	(238)	989	1,326	1,117	NHES
10 - 19 employees	(312)	1,805	1,351	1,215	NHES
20 - 49 employees	2,945	1,558	1,835	2,539	NHES
50 - 99 employees	(144)	4,485	3,382	1,689	NHES
100 - 249 employees	2,619	1,700	3,841	(2,257)	NHES
250 - 499 employees	(2,462)	1,837	1,979	4,535	NHES
500 - 999 employees	2,954	(259)	3,230	4,137	NHES
1,000 & over employees	590	928	2,754	557	NHES
PERCENT OF TOTAL EMPLOYMENT (by size of firm)					
1 - 4 employees	7.7%	7.7%	7.5%	7.5%	NHES
5 - 9 employees	8.8%	8.7%	8.6%	8.6%	NHES
10 - 19 employees	10.6%	10.7%	10.5%	10.4%	NHES
20 - 49 employees	15.2%	15.0%	14.7%	14.8%	NHES
50 - 99 employees	11.4%	12.1%	12.3%	12.3%	NHES
100 - 249 employees	13.7%	13.6%	13.9%	12.9%	NHES
250 - 499 employees	8.4%	8.6%	8.6%	9.3%	NHES
500 - 999 employees	8.0%	7.6%	8.0%	8.6%	NHES
1,000 & over employees	16.3%	16.0%	15.8%	15.5%	NHES
PERCENT OF ESTABLISHMENTS WITH 100 OR MORE WORKERS (ranked from highest among fifty states)					
New Hampshire	1.76%	1.88%	1.89%	2.06%	CB/NHES
United States rank	37	34	33	n/a	CB/NHES
Connecticut	2.24%	2.26%	2.27%	n/a	CB/NHES
United States rank	13	16	16	n/a	CB/NHES
Maine	1.47%	1.56%	1.64%	n/a	CB/NHES
United States rank	44	43	40	n/a	CB/NHES
Massachusetts	2.58%	2.64%	2.67%	n/a	CB/NHES
United States rank	1	1	1	n/a	CB/NHES
Rhode Island	1.99%	1.95%	1.97%	n/a	CB/NHES
United States rank	28	31	30	n/a	CB/NHES
Vermont	1.15%	1.28%	1.30%	n/a	CB/NHES
United States rank	48	48	48	n/a	CB/NHES
HIGH TECHNOLOGY EMPLOYMENT & WAGES					
Average annual number of employing units	3,770	3,906	4,134	4,460	NHES
Average annual employment	70,149	68,672	71,281	74,901	NHES
Total wages (\$ millions)	\$2,720.8	\$2,590.5	\$2,846.4	\$3,045.6	NHES
Average weekly wages	\$746.12	\$725.10	\$767.93	\$781.52	NHES

5. ESTABLISHMENTS IN PRIVATE INDUSTRY (Continued) 1992	1993	1994	1995	Source	
NEW & TERMINATED FIRMS COVERED BY UNEMPLOYMENT COMPENSATION					
New firms	3,232	4,014	4,166	4,124	NHES
Terminated firms	4,523	3,831	3,983	4,180	NHES
NEW FIRMS from NH Office of Business and Industrial Development					
New firms: Number of companies	46	35	53	n/a	OBID
Floor space (1,000 square feet): Total	527	682	2,519	n/a	OBID
NEW INCORPORATIONS					
New Hampshire establishments	2,577	2,874	2,990	3,095	SST
Out-of-State establishments	920	932	1,053	1,104	SST

alleviating burdensome regulation. The initiatives assist businesses in meeting requirements rather than assessing penalties and fines.

Examples of the new initiatives include:

- the Small Business Mentoring Program, which partners companies with outstanding achievements in health and safety with other companies to help refine their health and safety programs, and to assist them in qualifying for the Voluntary Protection Program. Qualified companies are exempt from routine OSHA inspections.
- the Export Working Capital Program, which funds inventory on international exports.
- the Low Document Loan Program, which deposits funds into local banks on the condition they use the money to make small business loans.<sup>2</sup>

## BusinessExpos

New Hampshire businesses, their products, and services were again showcased this year in two major expositions. The 5th Annual Made In New Hampshire Try It & Buy It Expo featured over 200 businesses and promoted over 1,000 products made by New Hampshire businesses. It was attended by over 20,000 people.

The 10th Annual New Hampshire International Trade Association World Trade Exposition featured over 100 exhibitors, with representatives of consulates and embassies from over thirty countries in attendance. It was visited by over 700 people. High tech was a hot item at both trade expositions, with each featuring an on-line Internet access demonstration area.

In October, an Information Technology Fair was held. The event was sponsored by New Hampshire Employment Security, Cabletron Systems, Digital Equipment Corp., and NYNEX. The fair showcased the latest innovations, techniques, processes, and equipment being used by state agencies, including on-line information. Twenty-seven state agencies as well as Cabletron Systems, Digital Equipment Corp., and NYNEX were exhibitors at the two-day event. The fair was attended by over 2,600 people, including business people, government representatives, and students.

*Katrina Evans*

<sup>1</sup> NH Office of International Commerce, *Business New Hampshire Magazine*, August, 1996

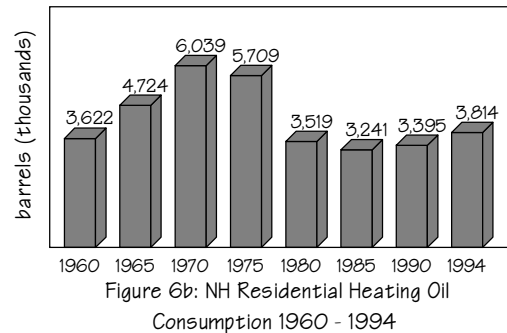
<sup>2</sup> Babin, Holly, "A Capital Boost for Business," *Business New Hampshire Magazine*, April, 1996

## 6. ENERGY

In 1993, the last year for which nationwide data on energy expenditures is available, 37 states had higher energy expenditures per capita than New Hampshire. This relatively low per capita ranking is mainly due to the difference in the amount of energy consumed by the industrial sector in New Hampshire compared to industrial energy consumption for the nation. Industrial energy consumption in the state was 27 percent of the total energy consumption versus 38 percent in the nation. The state with the highest industrial energy consumption, Texas, has a population about 16 times greater than New Hampshire; but energy consumption by the industrial sector is over 76 times more.

New Hampshire had the 4th highest energy prices as measured by dollars per million Btu. Electricity prices in New Hampshire were the highest in the nation in 1993, and natural gas prices ranked 4th. All New England states ranked in the top 15 in both electricity prices and natural gas prices. Since the cost of electricity has continued to climb, New Hampshire probably will have the highest or very near to the highest

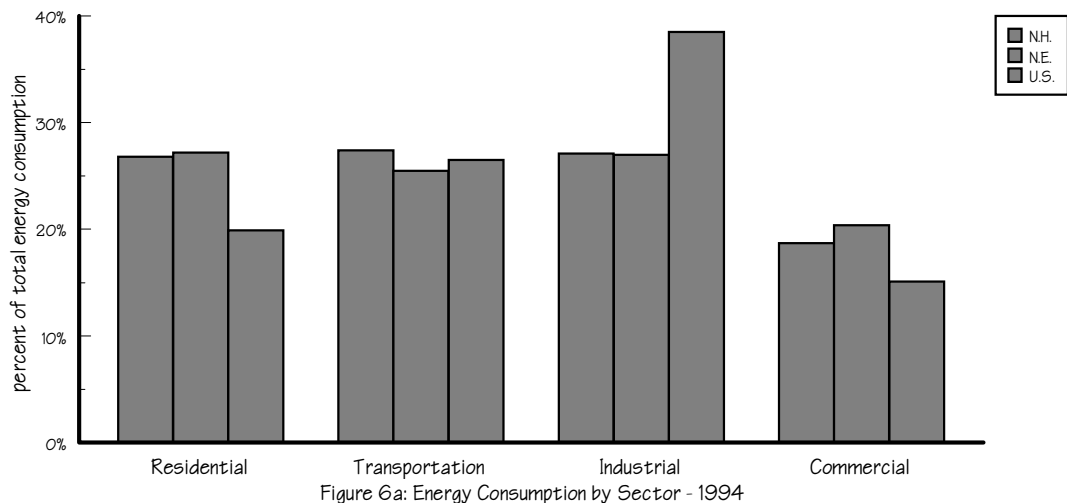
Total heating oil consumption has declined even though it is used by more NH households



electricity prices for the years since then. That could change in 1998.

Proponents of competition within the electricity industry expect lower rates through a bill signed into law earlier this year. The bill opens the electricity market to competition as early as January 1, 1998, and no later than July 1, 1998. A pilot program is underway. About 15,000 ratepayers were allowed to select a company to provide their electricity. The pilot program has attracted attention across the country because it is the first to include all customer classes. Suppliers need not own either generating plants or distribution lines. They buy electricity

Little Difference Between NH and NE Energy Consumption by Sector, but Both Vary Significantly from U.S.



from a company with generation facilities, pay a fee to use the distribution lines, and then sell the electricity to consumers. Energy, transmission, and other costs will be itemized on the bills.

Heating oil is the primary fuel for 56 percent of New Hampshire households. Natural gas is the next most popular at 13 percent followed by LPG at 10 percent. Wood accounts for 9 percent and 7 percent use electricity for heating. The remaining 5 percent of the households use other fuels such as kerosene, coal, and solar. While more households are using heating oil, the total residential consumption of heating oil in New Hampshire has declined.

According to the Governor's Office of Energy and Community Services, the average household used about 1,200 gallons of heating oil per year in the early 1980s. It is now between 700 to 900 gallons per year. More efficient furnaces, better insulation, and other energy conservation measures have reduced consumption.

The number of households using electricity for heating declined, but it was not accompanied by a corresponding decline in residential electricity consumption. Consumption climbed steadily to 3,542 million kilowatt-hours in 1989 and then leveled off. The residential electricity consumption estimate for the state in

### Energy Consumption Growth is Greatest in Commercial Sectors and Industrial Sectors

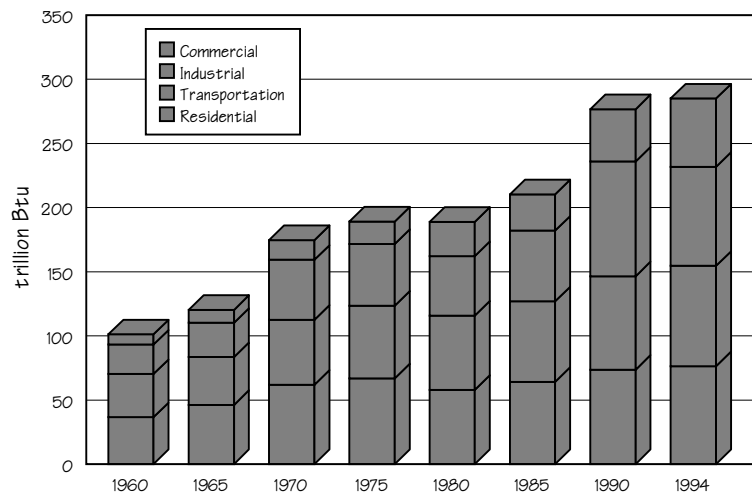


Figure 6c: NH Energy Consumption by Sector, 1960 - 1994

1995 was 3,384 million kilowatt-hours. The total residential energy consumption per capita by New Hampshire residents was the lowest in New England in 1994 and slightly less than the U.S. per capita.

The much discussed natural gas pipeline through the northern part of the state has not progressed beyond the permit application stage. A change to the proposed route will bring it closer to large industrial users in the Berlin area. The pipeline company still hopes to have the pipeline in operation by late 1998.

*Raymon Aldrich*

### Residential Electricity Consumption Leveled off in the 1990s

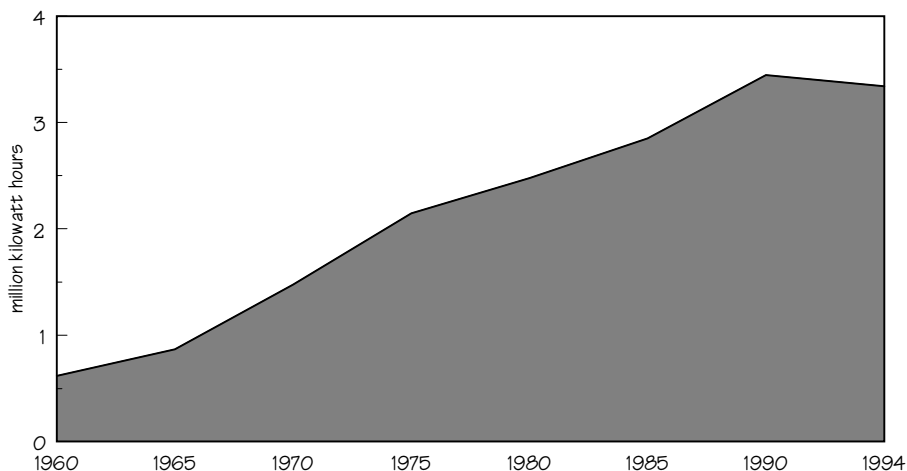


Figure 6d: NH Electricity Consumption 1960 - 1994

6. ENERGY	1992	1993	1994	1995	Source
<b>ELECTRICAL ENERGY PURCHASED</b>					
Sales to Ultimate Customers (million KWH)					
New Hampshire:					
Total	8,639	8,759	8,955	9,006	EC/EEI
Percent change	0.0%	1.4%	2.2%	0.6%	EC/NHES
Residential	3,433	3,420	3,430	3,384	EC/EEI
Percent change	0.4%	-0.4%	0.3%	-1.3%	EC/NHES
Commercial	2,071	2,121	3,219	3,224	EC/EEI
Percent change	2.0%	2.4%	51.8%	0.2%	EC/NHES
Industrial	3,020	3,100	2,182	2,286.0	EC/EEI
Percent change	-1.9%	2.6%	-29.6%	4.8%	EC/NHES
New England:					
Total	103,633	104,308	106,157	106,611	EC/EEI
Percent change	1.4%	0.7%	1.8%	0.4%	EC/NHES
Residential	37,650	37,918	38,542	38,177	EC/EEI
Percent change	0.7%	0.7%	1.6%	-0.9%	EC/NHES
Commercial	37,836	38,557	40,395	41,159	EC/EEI
Percent change	0.5%	1.9%	4.8%	1.9%	EC/NHES
Industrial	26,090	25,953	25,412	25,880	EC/EEI
Percent change	-0.6%	-0.5%	-2.1%	1.8%	EC/NHES
NET ENERGY GENERATED (million KWH)	13,541	14,586	11,888	13,936	EC/EEI
As percentage of energy purchased	155.7%	166.5%	132.8%	154.7%	EC/EEI
As percentage of total generated by type:					
Hydroelectric	7.2%	7.0%	8.7%	7.1%	EC/EEI
Fossil fuel	34.3%	31.1%	39.1%	32.8%	EC/EEI
Nuclear	58.5%	62.0%	52.2%	60.1%	EC/EEI
ENERGY EXPENDITURES PER CAPITA (\$ per capita)	\$1,796	\$1,816	n/a	n/a	EIA
United States rank	37	38	n/a	n/a	EIA
ENERGY PRICES (dollars per million Btu)	\$11.31	\$11.58	n/a	n/a	EIA
United States rank	4	4	n/a	n/a	EIA
Petroleum prices (dollars per million Btu)	\$7.20	\$7.18	n/a	n/a	EIA
United States rank	34	34	n/a	n/a	EIA
Electric prices (dollars per million Btu)	\$29.23	\$31.81	n/a	n/a	EIA
United States rank	4	1	n/a	n/a	EIA
<b>ENERGY CONSUMPTION</b>					
Total consumption (trillion Btu)	244.1	245.7	285.5	n/a	EIA
Annual percent change	2.6%	0.7%	16.2%	n/a	EIA/NHES
United States rank (percent change)	15	43	3	n/a	EIA/NHES
Types of energy consumption (percent of total)					
Residential	29.2%	29.5%	26.8%	n/a	EIA
Commercial	16.2%	16.4%	18.7%	n/a	EIA
Industrial	24.3%	23.2%	27.1%	n/a	EIA
Transportation	30.3%	30.9%	27.4%	n/a	EIA
Energy consumption per capita (million Btu)	218.9	218.9	251.4	n/a	EIA
United States rank (including D.C.)	50	50	44	n/a	EIA
Net Interstate flow of electricity and associated losses	-55.7	-75.1	-43.7	n/a	EIA
<b>FUEL CONSUMED TO GENERATE ELECTRICITY</b>					
In equivalent barrels of oil					
New Hampshire total (thousands)	19,636	21,794	17,281	20,575	EC/EEI
Oil	2,315	2,338	2,442	1,816	EC/EEI
Coal	4,532	4,851	4,634	4,877	EC/EEI
Gas	106	23	206	377	EC/EEI
Nuclear	12,683	14,582	10,000	13,505	EC/EEI

## 7. PRODUCTION

Gross state product (GSP) is the market value of the goods and services produced by labor and other resources located in a state. It is measured as the sum of gross state product originating (GSPO) in all industries in the state. An industry's GSPO, also known as "value added," is equivalent to its gross output (sales or receipts and other operating income, plus inventory change) minus its intermediate inputs (consumption of goods and services purchased from other industries or imported). GSP is the state counterpart of the nation's gross domestic product (GDP), the sum of gross product originating (GPO) in all industries.

Recent official gross state product figures are not available from the Bureau of Economic Analysis. The GSP growth rate in 1992 was 5.1 percent in current dollars, and 2.3 percent in real dollars (adjusted for inflation). Public Service of New Hampshire estimated the growth rate in current GSP (unadjusted for inflation) to be 3.4 percent in 1993; 7.3

percent in 1994; and 7.3 percent in 1995. PSNH estimates of real GSP (adjusted for inflation) were 0.7 percent in 1993; 5.0 percent in 1994; and 4.6 percent in 1995. These estimates are based on personal income figures, and reflect strong recovery and growth in the New Hampshire economy in 1994 and 1995.

### The growth rate in personal income (unadjusted for inflation) has slowed somewhat.

The most recent personal income figures provided by the Bureau of Economic Analysis show that the growth rate in personal income (unadjusted for inflation) has slowed somewhat. For instance, total personal income during the second quarter of 1996 grew at a 4.52 percent annual rate, compared to 7.33 percent during the second quarter of 1995, and 8.00 percent during the second quarter of 1994. For additional comparison, total personal income during the first quarter

Personal Income is growing slightly more slowly in 1996;  
May portend slower growth in Gross State Product

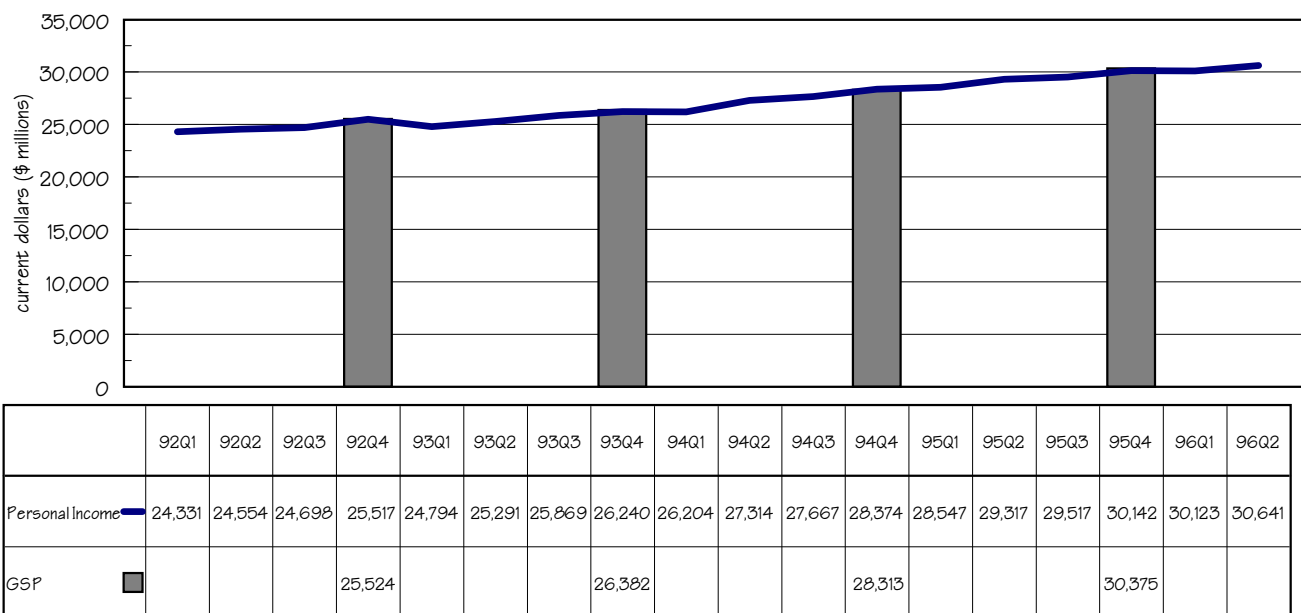


Figure 7.a: Personal Income by Quarter and Gross State Product, 1992-96

Personal Income is estimated quarterly, at annual rates, by the BEA  
Gross state product totals for 1993-1995 are annual estimates by PSNH

7. PRODUCTION	1992	1993	1994	1995	Source
GROSS STATE PRODUCT, TOTAL					
In Current Dollars (\$ millions)	\$25,524	\$26,382 <sup>a</sup>	\$28,313 <sup>a</sup>	\$30,375 <sup>a</sup>	BEA/PSNH
Annual percent change	5.1%	3.4%	7.3%	7.3%	NHES
In Constant 1987 Dollars (\$ millions)	\$25,524	\$25,714 <sup>a</sup>	\$26,991 <sup>a</sup>	\$28,229 <sup>a</sup>	BEA/PSNH
Annual percent change	2.3%	0.7%	5.0%	4.6%	NHES
VALUE ADDED BY MANUFACTURE					
Total (\$ millions)	\$6,492.8	\$6,471.7	\$7,332.4	n/a	CB
VALUE ADDED PER PAYROLL DOLLAR					
United States	\$2.46	\$2.59	\$2.69	n/a	CB
New Hampshire	\$2.30	\$2.24	\$2.39	n/a	CB
United States rank (including D.C.)	43	Tie 45	Tie 44	n/a	CB
Connecticut	\$1.99	\$1.95	\$1.97	n/a	CB
United States rank (including D.C.)	50	50	51	n/a	CB
Maine	\$2.23	\$2.29	\$2.43	n/a	CB
United States rank (including D.C.)	45	43	43	n/a	CB
Massachusetts	\$2.22	\$2.30	\$2.39	n/a	CB
United States rank (including D.C.)	46	42	Tie 44	n/a	CB
Rhode Island	\$2.16	\$2.25	\$2.15	n/a	CB
United States rank (including D.C.)	47	44	49	n/a	CB
Vermont	\$2.62	\$2.24	\$2.53	n/a	CB
United States rank (including D.C.)	Tie 24	Tie 45	40	n/a	CB
INDUSTRY SHARE OF TOTAL VALUE ADDED					
Industrial Machinery and Equipment	16.34%	16.62%	21.29%	n/a	CB
Instruments and Related Products	12.51%	12.90%	10.89%	n/a	CB
Electronic and Related Products	14.58%	13.29%	14.73%	n/a	CB
Printing and Publishing	6.14%	6.24%	5.06%	n/a	CB
Paper and Allied Products	7.23%	6.54%	5.95%	n/a	CB
Rubber and Miscellaneous Products	7.45%	8.14%	7.65%	n/a	CB
Fabricated Metal Products	5.78%	6.07%	5.94%	n/a	CB
MANUFACTURER'S SHIPMENTS					
Total (\$ millions)	\$11,316.3	\$11,763.8	\$13,512.1	n/a	CB
Annual percent change	15.2%	4.0%	14.9%	n/a	CB
NEW CAPITAL EXPENDITURES (\$ millions)	\$345.2	\$339.5	\$400.2	n/a	CB
As a Percentage of Payroll					
New Hampshire	12.2%	11.8%	13.0%	n/a	CB
Connecticut	12.3%	n/a	n/a	n/a	CB
Maine	21.4%	n/a	n/a	n/a	CB
Massachusetts	12.7%	n/a	n/a	n/a	CB
Rhode Island	11.7%	n/a	n/a	n/a	CB
Vermont	31.7%	n/a	n/a	n/a	CB
United States	17.9%	n/a	n/a	n/a	CB
DEFENSE CONTRACTS (\$ millions)	\$419,479	\$392,117	\$487,320	\$579,604	CB

<sup>a</sup> estimates

of 1996 grew at a 5.52 percent annual rate, compared to 8.94 percent during the first quarter of 1995, and 5.69 percent during the first quarter of 1994. These growth rates in personal income may indicate that gross state product, while still increasing, is growing at a

slightly slower pace. The growth of 1994 and 1995, in both personal income and gross state product estimates, were partially due to economic expansion and the rapid reduction in unemployment from 1991-1993 levels.

*Bruce DeMay*

## 8. TRADE, RECREATION, AND HOSPITALITY

According to the 1996 Survey of Buying Power for 1995, published in *Sales and Marketing Management*, retail sales for 1995 in New Hampshire rose approximately 1.8 percent. Total retail sales were just under \$13 billion, \$230 million more than 1994. Only two of the five retail store types for which data were available had any substantial change. Automotive dealers increased 7.5 percent to \$2.5 billion, by far the largest increase. Furniture, home furnishings, and appliance stores increased 1.2 percent to \$592 million; and general merchandise stores showed zero growth, staying at \$1.7 billion. Both food stores and eating and drinking places had a reduction in total sales, food stores by a narrow 0.4 percent to \$2.8 billion, and eating and drinking places by 13.1 percent, going down to \$960 million, a \$145 million drop.

Well over half of total retail sales in New Hampshire were in Hillsborough and Rockingham Counties, with sales reaching \$3.9 billion and \$3.4 billion, respectively. Sullivan County brought in the lowest retail sales, totaling only \$270 million.

Effective Buying Income (EBI) is an indicator of the ability to buy, developed by *Sales and Marketing Management*. It is determined by personal income less personal tax and non-tax payments, and closely resembles disposable income. New Hampshire's total EBI for 1995 was \$19.1 billion; and median household EBI was \$38,245. Total EBI by county ranged from \$0.4 million in Coos County to \$6 billion in Hillsborough County. Median household EBI by county ranged from \$26,876 in Coos County to \$45,433 in Rockingham County.

The University of New Hampshire Survey Center's Consumer Confidence Index (CCI) for the state was 108.4 in December 1995, 4.5 percent below

December 1994. The CCI for both the nation and New England dropped significantly in the 1994 to 1995 time period. The US CCI was 102.2 in De-

### The New Hampshire Consumer Confidence Index reached its highest point ever in September 1996

cember 1994, and dropped 2.9 percent to 99.2 by December 1995. The New England CCI was 68.8 in December 1994, and dropped 12.9 percent to 59.9 by December 1995.

However, all survey areas have seen marked improvement through September 1996. By September 1996, the New Hampshire CCI was 132.9, the highest point the index has seen since the survey was started in 1991, and a 29.7 percent increase over September 1994. Both New England and the nation have risen throughout 1996 as well, with a September index of 98.6, a 31 percent increase, for New England; and a September index of 111.8, a 25 percent increase, for the United States.

Total Retail Sales Continued to Grow, but Auto Dealers Are Unable to Recover '89 Sales

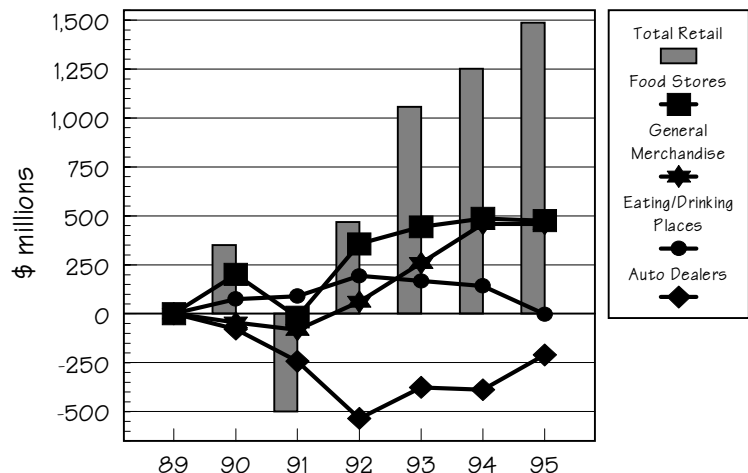


Figure 8.a: Numerical Change in Retail Sales by Major Sales Group since 1989  
Source: *Sales & Marketing Management*. Used by Permission.

8. TRADE, RECREATION, AND HOSPITALITY	1992	1993	1994	1995	Source
<b>RETAIL SALES (\$ millions) <sup>a</sup></b>					
New Hampshire total	\$11,978	\$12,566	\$12,761	\$12,997	SMM
Annual percent change	8.8%	4.9%	1.6%	1.8%	SMM/NHES
Food stores	\$2,688	\$2,775	\$2,817	\$2,807	SMM
Annual percent change	16.2%	3.2%	1.5%	-0.4%	SMM/NHES
Eating and drinking places	\$1,156	\$1,130	\$1,105	\$960	SMM
Annual percent change	9.9%	-2.2%	-2.2%	-13.1%	SMM/NHES
General merchandise stores	\$1,356	\$1,554	\$1,754	\$1,754	SMM
Annual percent change	11.8%	14.6%	12.9%	0.0%	SMM/NHES
Furniture, home furnishings, appliance stores	\$536	\$585	\$585	\$592	SMM
Annual percent change	0.6%	9.1%	0.0%	1.2%	SMM/NHES
Automotive dealers	\$2,202	\$2,361	\$2,349	\$2,526	SMM
Annual percent change	-11.7%	7.2%	-0.5%	7.5%	SMM/NHES
 New England, total (\$ millions)	 \$112,745	 \$114,720	 \$121,796	 \$122,784	 SMM
Annual percent change	1.6%	1.8%	6.2%	0.8%	SMM/NHES
United States, total (\$ billions)	\$1,964	\$2,079	\$2,241	\$2,355	SMM
Annual percent change	7.9%	5.9%	7.8%	5.1%	SMM/NHES
 Per Household Retail Sales (\$ thousands)					
New Hampshire	\$27,831	\$30,056	\$30,112	\$30,239	SMM
Massachusetts	\$21,083	\$21,505	\$23,254	\$23,652	SMM
New England	\$22,662	\$23,082	\$24,494	\$24,511	SMM
United States	\$20,710	\$21,683	\$23,209	\$24,120	SMM
 Liquor Sales (fiscal year)					
Retail & Wholesale (\$ millions)	\$204.6	\$208.3	\$210.1	\$210.3	LC
<b>RECREATION/TOURISM</b>					
Office of Travel & Tourism Development Inquiries	192,817	231,693	185,490	213,087	OTTD
Hotel Occupancy Rate	54.0%	52.1%	53.8%	54.2%	OTTD
Out-of-State Snowmobile Registrations	8,243	9,327	10,215	8,973	OTTD
Skiing, state areas (Cannon, Sunapee), season	1992/93	1993/94	1994/95	1995/96	
Number of skiers	240,983	241,996	158,469	215,522	OTTD
Lift sales, excluding concessions, schools (\$ thousands)	\$3,745	\$4,441	\$2,931	\$4,001	OTTD
Fish and Game licenses (nonresident)	73,986	75,316	76,645	76,952	F&G
Racing (pari-mutuel statistics)					
Thoroughbred track:					
Attendance (thousands)	395.5	376.3	341.7	332.4	PM
Pari-mutuel pool (\$ thousands)	\$48.3	\$34.4	\$29.7	\$27.8	PM
Greyhound tracks:					
Attendance (thousands)	848.5	745.7	588.3	517.1	PM
Pari-mutuel pool (\$ thousands)	\$73.0	\$60.4	\$48.2	\$39.8	PM
<b>HOSPITALITY: HOTEL, RESTAURANT ACTIVITY</b>					
Meals & Rooms Receipts (\$ millions)					
Total, Calendar Year	\$1,195.3	\$1,244.8	\$1,330.3	\$1,397.9	RA
Annual percent change	5.1%	4.1%	6.9%	5.1%	RA/NHES
Restaurants	\$785.6	\$822.0	\$878.9	\$927.0	RA
Rooms	\$197.6	\$204.0	\$216.2	\$226.9	RA
Food service & combination food/lodging	\$211.6	\$218.7	\$235.0	\$244.0	RA

<sup>a</sup> Reprinted by permission of *Sales & Marketing Management*, a publication of Bill Communications

## Recreation and Hospitality

*The New Hampshire State Travel Barometer Annual Summary 1995*, published by The Office of Travel and Tourism Development, said that 1995 was a "slightly positive" year for New Hampshire's travel and tourism industry. Hotel and restaurant activity continued steady growth, posting a 5.1 percent increase over 1994 with nearly \$1.4 billion in total meals and rooms receipts. Restaurants had the best gains, up 5.5 percent, with rooms following, up 4.9 percent. February 1996 brought the New Hampshire Primary, distinctly affecting hotel occupancy, especially in the three southern regions. OTTD Director Lauri Ostrander estimates that the primary brought \$32 million spending in new dollars to New Hampshire.

There were 213,087 inquiries received by OTTD in 1995, 14.9 percent more than 1994. Automobile travel on Saturdays was up by 1.4 percent at eleven counters near tourist attractions or on major travel routes. Gasoline sales were up by 5.4 percent, and hit a new annual high. Summer 1995 Canadian travel appeared

to be higher than 1994, as did European travel, particularly from Great Britain. Summer and fall attendance at tourist attractions was up by 4.9 percent; some attractions hit all-time records for attendance.<sup>1</sup>

## Winter Recreation

SKI NH, a nonprofit association representing sixteen alpine and seventeen cross-country ski areas, has done an economic impact study of ski areas on the New Hampshire economy for the 1994-95 ski season. (1995-96 ski season data were unavailable at press time.) Ski area operations employed 3,014 people, with total skier spending at \$147.5 million. There were 1,121,000 destination skier visitors and 811,700 day skier visitors, with total visitor days (including other ski season and non-ski season visitors) at 3,154,300. Ski area snow-making capacity was 2,037 acres in 1995, a 1985-95 compounded annual growth rate of 6.28 percent.

The 1995/96 ski season at Cannon and Sunapee ski areas were decidedly better than the 1994/95 season. The two areas recorded 215,522 skier visits, up 36

Total Meals & Rooms Receipts Have Increased Steadily since 1991

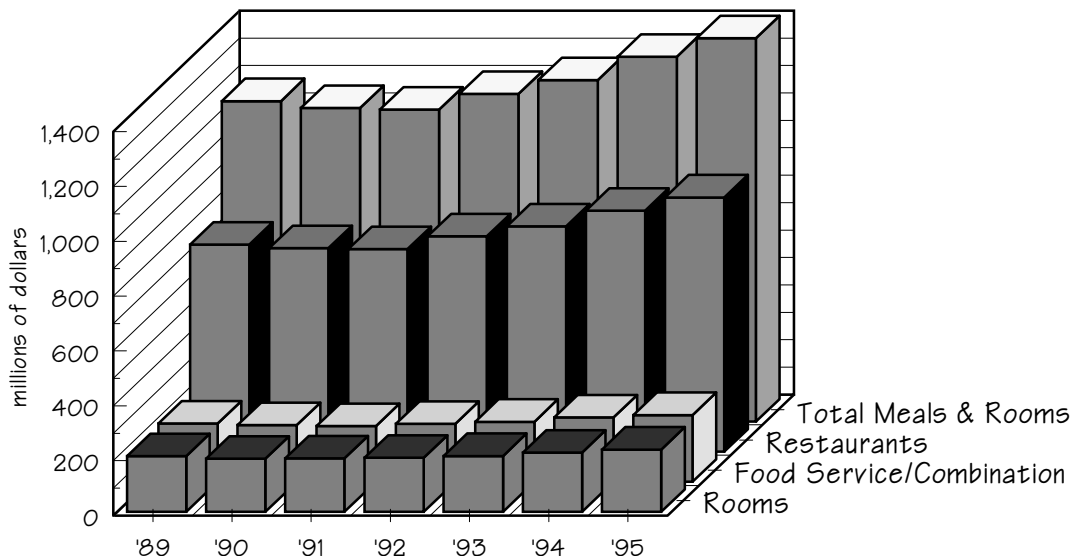


Figure 8.b: Meals & Rooms Receipts, 1989-1995

percent from the previous year. Total season ticket and daily sales were up 36.5 percent to \$4,001,363. Snowmobiling is becoming a more important tourist activity in New Hampshire. The Fish and Game Department issues licences for snowmobiles, as well as for other off-road vehicles. Snowmobilers must obtain a license to operate their vehicle in New Hampshire, unless there is a reciprocal agreement with the operator's state of residence. Currently, there are reciprocal agreements with the states of Vermont and Maine, but not Massachusetts.

Snowmobilers are substantial spenders in New Hampshire. A study by the University of New Hampshire determined that snowmobilers spent \$120 million while riding New Hampshire trails, and that the secondary economic benefits could be \$300 million or more. Snowmobilers generate gasoline purchase tax revenue estimated at \$717,000. Trail development, grooming, maintenance, and sign posting are largely handled by snowmobile club volunteers from over 113 clubs, who spend 84,000 hours caring for the trails. Funding for trail maintenance, signs, and groomers comes from snowmobile club fund-raisers and a grant-in-aid program from the state which returns approximately 30 percent of annual snowmobile registrations and \$9 of the gasoline tax per registered snowmobile to the snowmobilers.<sup>2</sup>

## Summer Recreation

The New Hampshire International Speedway (NHIS) again was a major player in tourism spending for the state. OTTD estimates that the July 1996 Winston Cup Races brought 180,000 to 200,000 visitors to the state. Television coverage by The Nashville Network (TNN) gave the state visibility to a whole new group of potential visitors. A study done by NHIS reports the economic impact of the racetrack to be \$137 million, with over 700 jobs created.<sup>3</sup>

A cold, rainy June and July plagued New Hampshire tourist areas during the early 1996 summer season. There was some rebound in August and September, as August was the driest in 125 years of weather data collection. Even so, the *New Hampshire Travel Barometer, Summer 1996*, published by OTTD, although reporting fewer travelers during the summer, showed higher spending per day. Rooms and meals tax receipts hit all-time highs for June and August 1996. Nine of ten counties had higher spending by travelers subject to the rooms and meals tax, with Coos County outdistancing the rest of the state with a 41.2 percent increase over 1995. Gasoline and diesel fuel sales were up by 3.2 percent. Seasonal attraction attendance was down by 0.5 percent, but museum attendance was up by 13.6 percent.<sup>4</sup>

## Winter 1996

The 1996/97 ski season opened November second at Waterville Valley. Operators are hopeful of cooperative weather conditions this season. More and improved skiing should be available in New Hampshire this season with the reopening of Tenney Mountain Ski Area in Plymouth after a three-year hiatus; \$8 million worth of renovations and improvements at Ragged Mountain Ski Area in Danbury; and the acquisition of Waterville Valley and Mount Cranmore areas by the owners of Vail in Colorado.

*Katrina Evans*

<sup>1</sup> *New Hampshire State Travel Barometer, Annual Summary 1995*, NH Department of Resources and Economic Development, Office of Travel and Tourism Development, prepared by the Institute for New Hampshire Studies, Plymouth State College

<sup>2</sup> "Snowmobiling in NH generates \$120 million", *Northern Beacon*, 9/23/96, p. 1

<sup>3</sup> NH Office of Travel and Tourism Development

<sup>4</sup> *New Hampshire State Travel Barometer, Summer Quarter 1996*, OTTD

## 9. CONSTRUCTION AND HOUSING

The construction scene in 1995 was a mixed bag. Each of the contract value indices, as reported by the Federal Reserve Bank of Boston in *New England Economic Indicators*, dropped between nine percent and 21 percent. At the same time, authorized housing permits increased by 4.5 percent with the bulk of the permits going for single units.

Employment in construction also showed continued growth, going from a monthly average of 17,800 for 1994 to 19,400 in 1995. In each year hiring began to pick up in February and peaked in August. In 1995, however, the demand for employees continued firm through November.

The source of the construction strength appeared to be outside the normal yardsticks which are used to measure the industry, a phenomenon which did not hold true for New England regional and United States data. To a large extent, other parts of the region emerged from the lingering effects of the recession

during 1995, hence the surge in contract value indices experienced in the surrounding states. The change in the number of housing permits, however, was negative in both New England and the U.S. for 1995.

Since 1990, when the real estate market bottomed out with just 7,900 existing

### Growing 1995 construction employment stayed strong through November

homes sold, the trend has been toward increasing numbers each year. In 1995 the market took a breather. The number of existing homes sold in New Hampshire dropped by 900 units. This downward trend was mirrored throughout New England (except for Rhode Island) and the U.S. in general.

The good news for home owners appears to be a trend of increasing average sales prices for homes that sell. The increase,

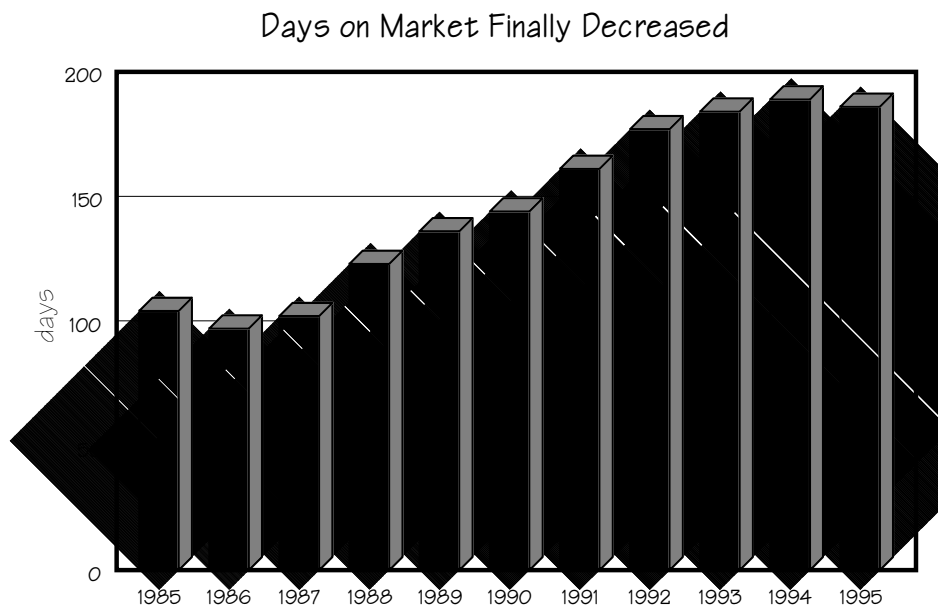


Figure 9a: Annual Average Number of Days on the Market for Multiple Listing Service Housing Properties 1985-1995

<b>9. CONSTRUCTION AND HOUSING</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>Source</b>
<b>CONTRACT VALUE INDICES (base year = 1980)</b>					
Total construction:					
New Hampshire	217.5	187.0	227.3	194.7	FR/FWD
New England	198.8	210.6	205.4	214.3	FR/FWD
United States	159.8	171.3	185.3	191.7	FR/FWD
Non-building construction					
New Hampshire	153.3	164.4	197.7	155.9	FR/FWD
New England	198.8	267.3	188.1	253.3	FR/FWD
United States	158.8	170.6	183.0	187.3	FR/FWD
Nonresidential construction					
New Hampshire	280.5	193.1	291.5	263.6	FR/FWD
New England	205.2	188.6	224.7	228.8	FR/FWD
United States	147.9	153.8	179.8	191.4	FR/FWD
Residential construction					
New Hampshire	208.5	198.3	200.6	173.5	FR/FWD
New England	192.7	201.7	196.1	182.9	FR/FWD
United States	170.6	186.3	190.7	191.6	FR/FWD
<b>HOUSING PERMITS AUTHORIZED (annual averages)</b>					
Total Housing Permits	308	320	331	346	FR/NAR
Annual percent change					
New Hampshire	28.5%	3.9%	3.4%	4.5%	FR/NAR
New England	21.5%	7.5%	0.7%	-5.8%	FR/NAR
United States	15.9%	9.5%	12.1%	-1.8%	FR/NAR
Single units	278	282	278	315	FR/NAR
Annual percent change					
New Hampshire	21.9%	1.4%	-1.4%	13.3%	FR/NAR
New England	26.7%	6.3%	1.4%	-6.2%	FR/NAR
United States	21.9%	9.5%	5.5%	-6.2%	FR/NAR
<b>CHANGES TO THE NEW HAMPSHIRE HOUSING STOCK</b>					
from residential building permit data					
Net change in units (permitted units less demolitions)	4,334	4,647	5,129	4,481	OSP
Total Hillsborough and Rockingham Counties	2,327	2,474	2,683	2,445	OSP
Total multifamily	394	602	763	190	OSP
<b>HOMES FINANCED BY NH HOUSING FINANCING AUTHORITY</b>					
Total Homes Financed	1,212	828	1,601	1,278	HFA
Percent new	22%	18%	14%	10%	HFA
Percent condo	12%	9%	7%	6%	HFA
NHHFA BOND ISSUES (\$ millions)	\$90.0	\$211.0	\$105.0	\$158.7	HFA
<b>ASSISTED RENTAL HOUSING CONSTRUCTION</b>					
Total units (NHHFA, HUD, FMHA, & local programs)	142	209	445	201	HFA
For elderly tenants	109	30	98	46	HFA
<b>HOME SALES</b>					
Existing homes (Estimated average sales per quarter - single family, condos, co-ops)	12,000	13,600	16,200	15,300	NAR
Percent change:					
Connecticut	6.6%	14.2%	13.9%	-1.3%	FR/NAR
New Hampshire	26.3%	13.3%	19.1%	-5.6%	FR/NAR
Maine	NA	13.7%	12.1%	-16.9%	FR/NAR
Massachusetts	16.4%	14.4%	4.2%	-2.2%	FR/NAR
Rhode Island	28.2%	10.0%	5.5%	2.6%	FR/NAR
Vermont	17.1%	14.6%	-0.9%	-18.3%	FR/NAR
New England	NA	13.9%	8.5%	-9.3%	FR/NAR
United States	9.2%	8.2%	3.2%	-3.4%	FR/NAR

9. CONSTRUCTION AND HOUSING (Continued)	1992	1993	1994	1995	Source
New Hampshire Multiple Listing Service data on Sales of Existing Homes					
Total Sales Volume (millions)	\$989.4	\$1,151.8	\$1,309.9	\$1,311.8	AR/NHES
Annual percent change	17.7%	16.4%	13.7%	0.1%	AR/NHES
Average sale price	\$108,462	\$110,528	\$111,603	\$113,157	AR
Annual percent change	-9.4%	1.9%	1.0%	1.4%	AR/NHES
Average number of days on the market	177	184	189	186	AR/NHES
CONTRACT MORTGAGE RATES (December, 30-year fixed)	8.2%	7.2%	9.2%	7.2%	MBA/FHLMC
HOUSING UNIT RENTALS					
Median monthly rent (including utilities)	\$560	\$564	\$573	\$563	HFA

however, has been less than two percent per year. On the other hand, the number of days on the market has not changed much since 1992. The time between listing and sale is longer than in the years before 1992. The increase in mortgage interest rates from a December 1994 average of 7.2 percent to a December 1995 average of 9.2 percent may have been a factor in the reduced market activity.

Although the state as a whole registered a gain in average selling value, the center section of the state did not share in the increase. The White Mountain region showed the biggest gain with an average of 13.3 percent, followed by Salem at 7.8 percent, and the Sunapee region at 6.2 percent.

Construction activity in New Hampshire grew modestly in 1996. Nonfarm construction employment rose by 3,700 jobs between February and September estimates. All segments of the division appeared to benefit from the growth. The preliminary count of employment from covered employers for second quarter 1996 is even more optimistic. June employment was 21,694 jobs, nearly 900 more than June 1995 and about 600 more than the unbenchmarked nonfarm estimates.

This buildup is evidenced by recruitment efforts for workers with construction related skills. Job orders placed on the

NH Works electronic bulletin board for openings in twenty-eight construction occupations nearly doubled from March to September. Help wanted advertising also reflects this need. Since this advertising is an indicator of work planned or in progress, a continuing growth trend should remain in effect until the early 1997 seasonal slowdown.

Current construction activity is moving, both through government and private contracts. Federal community block grants, which may total as much as \$5.5 million, are headed toward cities, towns, and counties for projects involving housing, public facilities, and economic development.

New Hampshire Housing Permits Show  
Distinct Seasonal Trend Patterns

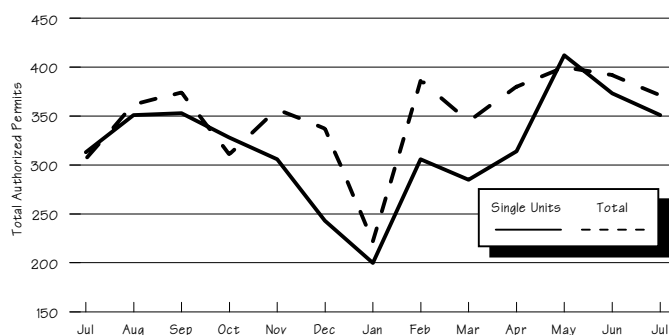


Figure 9b: New Hampshire Housing Permits  
July 1995 - July 1996

## Except for the Middle 3rd of the State Average Sales Prices Continued Upward

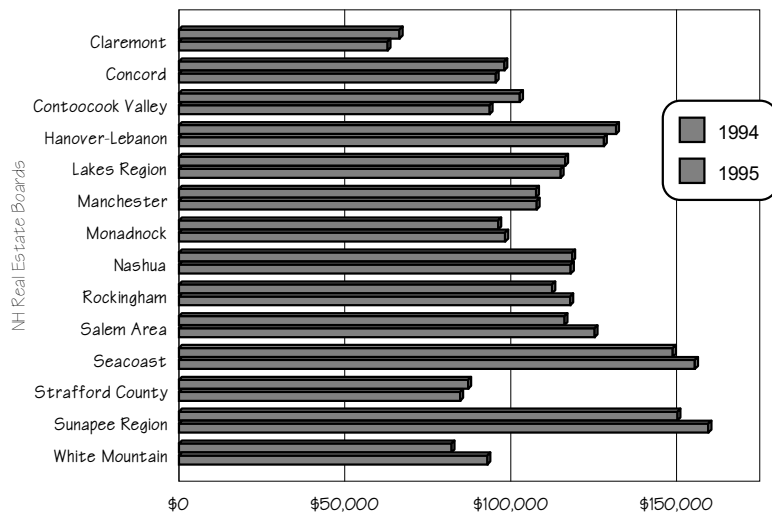


Figure 9c: Average Selling Price of Houses by Region, 1994-1995

The New Hampshire Executive Council has authorized several projects, including:

- a \$13.9 million contract to build a replacement for the Scammell Bridge over the Bellamy River in Dover and to widen Route 4;
- a \$253,835 contract to construct a 1,900 square foot gift shop and multi-purpose room addition to the Christa McAuliffe Planetarium;
- a \$639,000 contract to build a warehouse and a \$312,216 contract for an addition to the automotive and radio communications repair building for the Department of Safety.

Construction activity in Manchester includes:

- conclusion of the first phase of a \$50 million expansion at the Mall of New Hampshire with the opening of Filene's, and continuing work to complete the 40-store connecting wing and building of a new anchor store, JC Penney;
- a 24,000 square foot small business incubator in the old Jefferson Mill

building will be funded by grants from the federal government and New Hampshire College, and will serve to help stimulate economic development and contribute to the redevelopment of the Queen City's historic Millyard;

- Optima Health, Inc., undertaking a \$35 million construction project at Elliot Hospital to consolidate the city's two hospitals and close Catholic Medical Center as an inpatient hospital;
- ground breaking on September 12, 1996 for the new Lahey Hitchcock Clinic on a 93-acre site off Edward J. Roy Drive for a two-and-a-half story, 125,000 square foot, outpatient medical campus.

Elsewhere in the state construction activity includes:

- an \$11 million ski-in ski-out conference center in Bartlett;
- a \$950,000 swimming pool addition at the Greater Manchester YMCA Allard Center in Goffstown;
- a \$2.8 million building addition and renovation project at Kearsarge Regional High School in North Sutton;
- a new \$1.4 million community and golf center to replace one which burned to the ground in May 1995 at the Eastman Community Association in Grantham.

*Richard Hocker*

## 10. TRANSPORTATION AND TRAFFIC

The total traffic count<sup>1</sup> on the New Hampshire-Massachusetts state line at both the Seabrook I 95 and Salem I 93 entries increased by 3.2 percent in 1995. The last time for either of those sites to decrease was in the recession year of 1991. The Salem counter recorded 36,179,354 vehicles, over 8.5 million more vehicles than the second most used stretch in the state, the portion of I 293 that crosses the Merrimack River.

Both the Salem state line and the I 293 crossing of the Merrimack River had much heavier traffic on work days. The I 293 average weekday flow was nearly twenty-five percent higher than either day of the weekend. The Seabrook state line recorded nearly ten percent more traffic on the weekend than on the weekday.

The largest percentage increase among all roads in the state was on the eastern end of the Kancamagus Highway. The stretch had nearly three-quarters of a million vehicles in 1995, a 20.3 percent increase over 1994. Next was the other end of the Kancamagus where I 93 crosses it at Lincoln. There was a 13.6 percent increase to nearly three-quarters of a million vehicles. This same point reported a 10.1 percent decline in 1994.

Over 10.6 billion vehicle miles were driven across the state in 1995. This 1.4 percent increase over the previous year continued the upward trend that

### Driver licenses on issue during 1995 rose above 900,000 for the first time

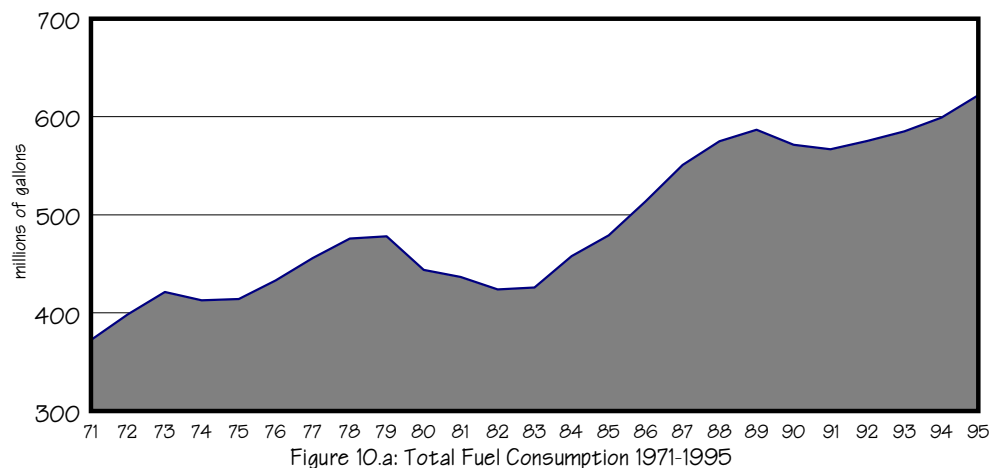
predates at least the early 1980s. During 1995 both passenger car and truck registrations increased, but by a much smaller number than in 1994. Auto registrations increased a mere 0.2 percent and trucks by 2.3 percent, one-third the gain from 1993 to 1994.

The number of driver licenses issued during 1995 rose by nearly 15,000, propelling total licenses on issue above 900,000 for the first time. Gasoline and diesel fuel consumption, a product of vehicles and vehicular miles, likewise went up. It climbed to 622.1 million gallons, a 2.1 percent increase over 1994.

### Bridges

New Hampshire Department of Transportation keeps a "Red List" of bridges. The bridges on this list need to be inspected more than the normal rotation

New Hampshire's Fuel Consumption Continues to Climb



of every two years. In 1995 more bridges came off the red list than went on it. Of approximately 2,000 state owned bridges, 166 are on the red list. This is eight fewer than at the end of 1994.

Three-fourths of these red listed bridges are on a ten year program to be renovated, replaced, or rehabilitated. The remaining bridges are divided among three categories - those which are handled by a bridge maintenance force, those which need to be put into a program, and those which will always be red listed but are unable to attain acceptable standards. The third category includes bridges with historical value such as the Cornish-Windsor covered bridge.

There are 477 of about 1,600 municipally owned bridges which made the list, twenty fewer than the beginning of the year. The state has a bridge aid program to assist municipalities with getting their bridges up to standard. The state funds eighty percent and the municipality twenty percent. There are also federal funds available to the cities and towns.

### AirTransportation

The number of passengers departing Manchester and Lebanon airports during 1995 bounced back down under the half million mark. This was on the heels of a double-digit percentage increase in 1994.

Projections for 1996 are that passenger departures will have another jump over ten percent. During 1995 discounted prices by two start-up airlines at Boston Logan Airport cut into the number of passengers using local services. Late in that year airfares for Manchester flights were established to compete with Boston. Since then the number of passengers using Manchester Airport has set, for any given month, record passenger traffic. The total for 1996 will be about 980,000 passengers, again just shy of the million mark. That milestone should be easily reached in 1997.

### SeaTransportation

Total public and private shipping, measured by dead weight capacity tonnage and import and export tonnage, increased in 1995. This is the first dead weight capacity increase since 1992. Scrap metal handled by the Port Authority during the year increased to the highest level since 1990. The prediction for 1996, however, is a sharp decline. The market for scrap has disappeared and the port is trying to find other items for its backhaul.

### PostalService

In 1995 the total number of first handling pieces of mail of all classes and origin at the Manchester and Portsmouth facilities by the postal service exceeded, for the first time, a billion pieces. This number has climbed rapidly over the past ten years. Only once did the number decline - the 1992 total was a little over a million pieces shy of the 1991 number. The 1996 figure continued this trend as over fifteen million more pieces were handled during that fiscal year.

*Martin Capodice*

Postal Service First Handling Pieces Have Increased by Over 225 Million Since 1990

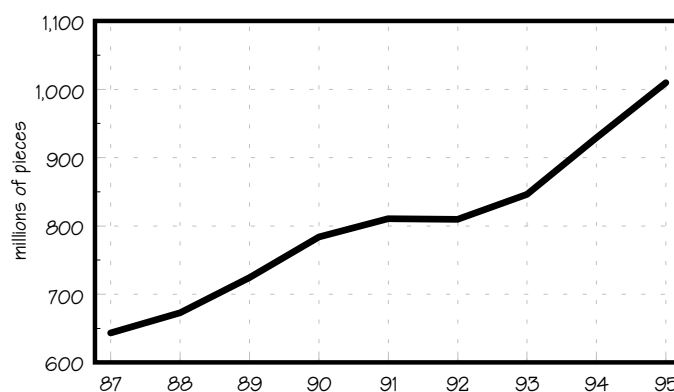


Figure 10.b: Postal Service First Handling Pieces, Manchester & Portsmouth Post Offices (FY ending 9/30)

<sup>1</sup> *Traffic Volume Report; 1995*. New Hampshire Department of Transportation, Bureau of Transportation Planning, July 1996.

10. TRANSPORTATION AND TRAFFIC	1992	1993	1994	1995	Source
HIGHWAY TRAFFIC Annual totals (vehicles, thousands)					
Interstates, NH-Massachusetts State line					
(from traffic counters at Salem and Seabrook)	58,091	60,030	61,184	63,134	DT
Annual percent change	4.0%	3.3%	1.9%	3.2%	DT/NHES
Rural traffic, annual percent change	1.6%	2.4%	3.1%	2.7%	DT
Annual vehicle miles (millions of miles)	10,038	10,336	10,501	10,643	DT
Annual percent change	1.0%	3.0%	1.6%	1.4%	DT/NHES
VEHICLE REGISTRATIONS					
Passenger cars	667,926	681,527	691,397	692,996	DS
Annual percent change	6.9%	2.0%	1.4%	0.2%	DS/NHES
Trucks (commercial and passenger)	219,374	237,219	254,757	260,541	DS
Annual percent change	5.8%	8.1%	7.4%	2.3%	DS/NHES
Persons per passenger car (population per number of vehicles)	1.26	1.22	1.20	1.20	DT/NHES
DRIVER LICENSES					
Licenses issued during year	n/a	n/a	247,019	261,586	DS
Total on issue	850,195	868,560 <sup>a</sup>	855,492	902,680	DS
AIRCRAFT TRAVEL					
Departing passengers, commercial airlines, Manchester and Lebanon airports	467,043	453,493	513,918	499,302	DT
Annual percent change	2.6%	-2.9%	13.3%	-2.8%	DT/NHES
MOTOR FUEL CONSUMPTION					
Millions of gallons of gasoline and diesel fuel	570.7	592.2	609.6	622.1	DT
Annual percent change	1.8%	3.8%	2.9%	2.1%	DT/NHES
BOAT REGISTRATIONS					
Total Registrations	79,356	80,521	82,822	86,672	DS
Annual percent change	2.5%	1.5%	2.9%	4.6%	DS/NHES
SEAPORT TRAFFIC, PORTSMOUTH HARBOR					
Total shipping (public & private facilities)					
Dead weight capacity tonnage (thousand tons) <sup>b</sup>	5,660.0	5,452.7	5,223.6	5,873.3	PA
Export & import total (thousand short tons) <sup>c</sup>	4,170.0	4,031.2	4,120.7	4,236.5	PA
Annual percent change	8.9%	-3.3%	2.2%	2.8%	PA/NHES
NH Port Authority activity (tons)					
Cargo (scrap metal)	210,655	238,829	254,887	267,250	PA
POSTAL SERVICE					
First handling pieces - Manchester and Portsmouth <sup>d</sup> (millions) (FY ending 9/30)	809.6	846.5	929.0	1,009.5	PS

<sup>a</sup> Total license count for 1993 includes non-driver and Golden Age IDs.

<sup>b</sup> Excludes barge traffic not requiring pilots.

<sup>c</sup> Includes weight of ship and cargo.

<sup>d</sup> Mail of all classes and origins, first processed by the Manchester and Portsmouth post offices.

## 11. FINANCE AND BANKING

In 1995 total bank assets in New Hampshire grew for the third straight year. They increased by 4.5 percent, just slightly less than in 1994. Bank deposits were up for the second year in a row after five years of decline. Deposit growth bettered the 1994 increase of 0.72 percent with a jump of 2.60 percent. Per capita deposits grew for the first time since 1988.

The number of banks in New Hampshire continued to shrink from 62 in 1994 to 57 in 1995. New Hampshire banks num-

bered 105 in 1989 (Fig. 11.a). From 1994 to 1995 the number of branches of state-chartered banks fell from 294 to 269. Even though banks have been opening new branches in supermarkets and department stores, often offering expanded hours, seven days a week, mergers have made many more branches redundant, resulting in a net loss. Based on anecdotal evidence, Banking Commissioner A. Roland Roberge says that many additional branch closings are planned, but are being held up by lease commitments.

The year 1995 saw the completion of the Fleet - Shawmut merger which created the largest bank in New England and the tenth largest bank in the country; and the consolidation of the First Savings of New Hampshire and Vermont Federal Bank by their parent Eastern Bancorp.<sup>1</sup>

Merger activity accelerated in 1996<sup>2</sup>:

- The Bank of Boston merged with BayBanks to become BayBank NH.
- Citizens Financial Group acquired the state's largest bank - First NH, which was renamed Citizens Bank-NH, creating New England's third largest bank.
- Bank of New Hampshire nearly doubled its asset base when it completed a merger with Peoples Heritage Financial Group of Portland, Maine.
- Landmark Bank, Lebanon, became part of Lake Sunapee Savings Bank, FSB.
- First Essex Bancorp of Andover, Massachusetts, acquired Pelham Bank and Trust.
- CFX Corp. of Keene acquired The Safety Fund Corporation of Fitchburg, Massachusetts and the Milford Cooperative Bank.
- Centerpoint Bank of Bedford, by merging with Community Bankshares, gained a foothold in the southern New Hampshire consumer market via

### Even supermarket bank branches haven't made up for losses due to mergers

#### Banks and Branches are both on the Decline

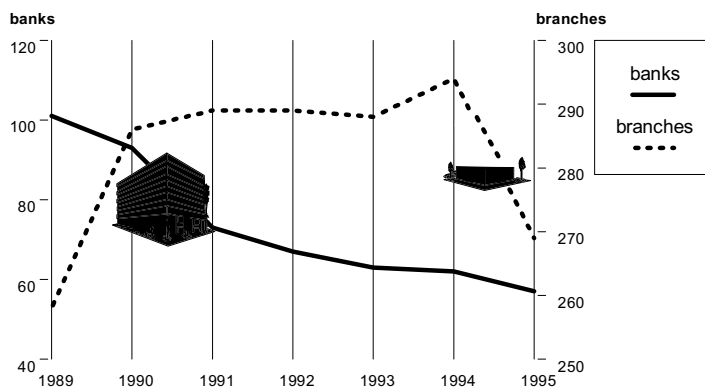


Figure 11.a: Number of Banks and Branches in New Hampshire 1989-1995

Community's subsidiary, Concord Savings Bank.

Competition for their major product, loans, is the driving force behind these ongoing bank mergers and reconstructions. Adding to the ferocity of this competition is the quandary that loans are a no-growth or slow-growth product. The banks are not only competing with one another but also with non-bank companies such as mutual funds and insurers. The legislation permitting interstate branching, combined with new technologies, have made the mergers not only possible but easier and faster. In order to compete effectively, banks have had to reduce their operating costs and, at the same time, expand their services. A merger, by reducing branches in the areas where merging banks overlap, results in reduced administrative costs while expanding markets. The merged banks are better able to purchase new technologies which provide more and quicker services at less cost to both banks and their customers. The larger banks have the capital to handle various types of loans, investments, and other financial transactions to meet the needs of both individuals and businesses alike. They also can draw on the expertise of each entity.

There are economic costs associated with these mergers. Along with the decline in the number of banks and branches, employment in depository institutions in the state has declined every year since the late 1980s. The number of bank jobs fell from 11,070 in June 1988 to 6,907 in June 1996 (see Fig 11.b).

Whether bank mergers are good or bad to the state's economy is subject to debate. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, which goes into effect in June 1997, may invite out-of-state banks to start operations in New Hampshire. Some expect the merger fervor to slow in New Hampshire, for the short term at least, while the state's banks take a breather to reorganize and consolidate their gains.

### Bank Employees, a Vanishing Breed

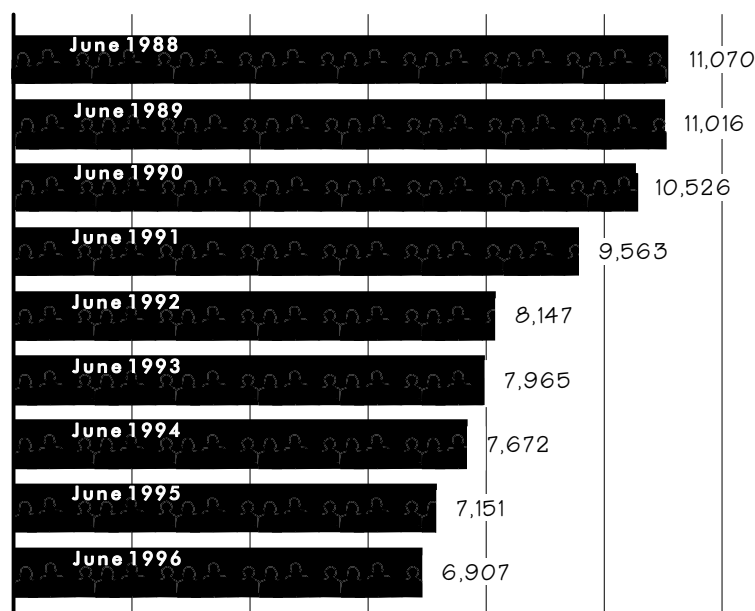


Figure 11.b: New Hampshire Banking Employment June 1988 to June 1996

Statistics provided by FDIC show that total non-performing loans by FDIC insured commercial banks in New Hampshire increased for the second year in a row from \$82.4 million in 1994 to \$91.0 million in 1995, an increase of 10.6 percent.

Bankruptcy was up in 1995 in the United States and in each of the six New England states. New Hampshire bankruptcy filings increased by 5.0 percent (the smallest gain among the New England states) after three years of declines. The latest data from the U.S. Bankruptcy Court in Manchester shows that for the twelve-month period ending November 30, 1996 bankruptcies were up by 16.49 per-cent compared to the twelve-month period ending November 30, 1995. The mortgage delinquency rate grew after falling for several years. The consumer loan delinquency rate continued to fall.

*Peter S. Bartlett*

<sup>1</sup> Byrt, Frank; "The Hunt for Assets on the Banking Frontier," *Business NH Magazine*; October 1996.

<sup>2</sup> Ibid.

11. FINANCE AND BANKING	1992	1993	1994	1995	Source
<b>BANK ASSETS (\$ millions)</b>					
Total	\$17,646.8	\$17,762.0	\$18,633.5	\$19,472.6	BD
State Chartered Banks:					
Commercial "Trust"	\$4,660.4	\$4,584.5	\$4,308.0	\$5,821.9	BD
Savings	\$8,640.8	\$8,791.1	\$9,196.5	\$7,704.8	BD
Cooperative	\$743.5	\$570.4	\$572.3	\$306.5	BD
Federally Chartered Banks:					
Commercial "National Banks"	\$2,629.2	\$2,793.3	\$3,277.8	\$4,252.8	BD/OCC
Savings and Savings-and-Loans	\$972.9	\$1,022.7	\$1,278.9	\$1,386.6	BD/OFS
Annual percent change:					
Total	-3.6%	0.7%	4.9%	4.5%	BD/NHES
State Chartered Banks:					
Commercial "Trusts"	-9.4%	-1.6%	-6.0%	35.1%	BD/NHES
Savings	3.6%	1.7%	4.6%	-16.2%	BD/NHES
Cooperative	9.1%	-23.3%	0.3%	-46.4%	BD/NHES
Federally Chartered Banks:					
Commercial "National Banks"	-13.1%	6.2%	17.3%	29.7%	BD/OCC
Savings and Savings-and-Loans	-12.4%	5.1%	25.1%	8.4%	BD/OFS
<b>BANK DEPOSITS All banks (\$ millions)</b>	\$14,934.0	\$14,385.3	\$14,488.3	\$14,865.7	BD
State Chartered Banks:					
Commercial "Trusts"	\$3,971.4	\$3,694.3	\$3,444.3	\$4,622.7	BD
Savings	\$7,381.4	\$7,159.5	\$7,130.5	\$5,845.8	BD
Cooperative	\$615.3	\$477.3	\$467.6	\$260.6	BD
Federally Chartered Banks:					
Commercial "National Banks"	\$2,038.9	\$2,148.5	\$2,328.9	\$3,004.4	OCC
Savings and Savings-and-Loans	\$842.3	\$905.7	\$1,097.1	\$1,132.2	OFS
<b>EQUITY CAPITAL, State chartered banks</b>					
Commercial "Trusts"	\$322.3	\$348.9	\$322.2	\$445.2	BD
Savings	\$642.7	\$698.1	\$758.3	\$701.4	BD
Cooperative	\$53.2	\$59.4	\$62.9	\$42.9	BD
<b>NUMBER OF BANKING INSTITUTIONS</b>	67	63	62	57	BD
<b>NUMBER OF STATE CHARTERED BRANCHES - OPERATING</b>	289	288	294	269	BD
<b>INDUSTRIAL FINANCING</b>					
Bond issues (\$ millions) - fiscal year ending 6/30					
NH Industrial Development Authority	\$52.0	\$156.2	\$139.8	\$19.2	BFA
<b>NONPERFORMING LOANS (\$ millions)</b>					
[FDIC commercial banks, Dec. 31st totals]	\$88.4	\$67.8	\$82.3	\$91.0	FDIC
Percent change from previous year	-56.7%	-23.3%	21.4%	10.6%	FDIC
Rank by percent of total (net) loans/leases (from smallest)	22	27	45	43	FDIC
<b>BANKRUPTCY FILINGS (Calendar year)</b>	3,840	3,622	3,054	3,207	BKR
Percent change from previous year					
New Hampshire	-1.0%	-5.7%	-16.7%	5.0%	BKR
Connecticut	19.8%	-4.2%	-7.3%	8.7%	BKR
Maine	-3.5%	-15.4%	-7.0%	25.1%	BKR
Massachusetts	18.6%	-11.2%	-6.9%	5.1%	BKR
Rhode Island	8.0%	-11.2%	-9.0%	11.3%	BKR
Vermont	4.6%	-15.8%	-1.5%	27.8%	BKR
New England	13.5%	-9.2%	-8.1%	8.4%	BKR
United States	2.9%	-9.9%	-4.8%	11.3%	BKR
<b>MORTGAGE DELINQUENCY RATE</b>	4.40%	3.11%	2.71%	3.06%	RFA,NEEP
<b>CONSUMER LOAN DELINQUENCY RATE</b>	4.56%	3.49%	2.29%	2.00%	RFA,NEEP

## 12. GOVERNMENT REVENUES AND EXPENDITURES

The state's General Fund unrestricted revenues, excluding Medicaid enhancement revenues, increased from \$646.9 million in 1994 to \$693.7 million in 1995. This increase of \$46.8 million was larger than the increase in both the preceding and following years. In 1994 unrestricted revenues went up by \$28 million, and the 1996 (unaudited) increase was \$33.6 million. The largest source of unrestricted revenues, again excluding Medicaid enhancement revenues, were the Business Profits Tax (BPT) and the Business Enterprise Tax (BET).

The BPT and the BET combined accounted for \$168.1 million of the total revenue. The highest amount ever received from the BPT was \$150.3 million in 1987 when the tax rate was 8.25 percent. The BET was established July 1, 1993 to broaden the tax base by including businesses not covered by the

BPT. Wages, interest on debt, and dividends paid to shareholders are taxed at 0.25 percent. Concurrently the state reduced the BPT rate which had been 8.0 percent since 1988. In 1993 the rate was reduced to 7.5 percent, and reduced again to 7.0 percent 1994.

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**The business profits tax and business enterprise tax combined were the largest source of unrestricted state revenues.**

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The BPT has a pattern of alternating good and lean years, and 1996 was no exception. Combined revenue from the BPT and the BET was \$177.6 million. (All 1996 data is unaudited.) While this was an increase of \$9.5 million, it was much less than the \$31.8 million growth recorded in 1995.

Revenue from Business Profits/Enterprise Taxes  
and Meal & Rooms Tax Grow to Record Levels

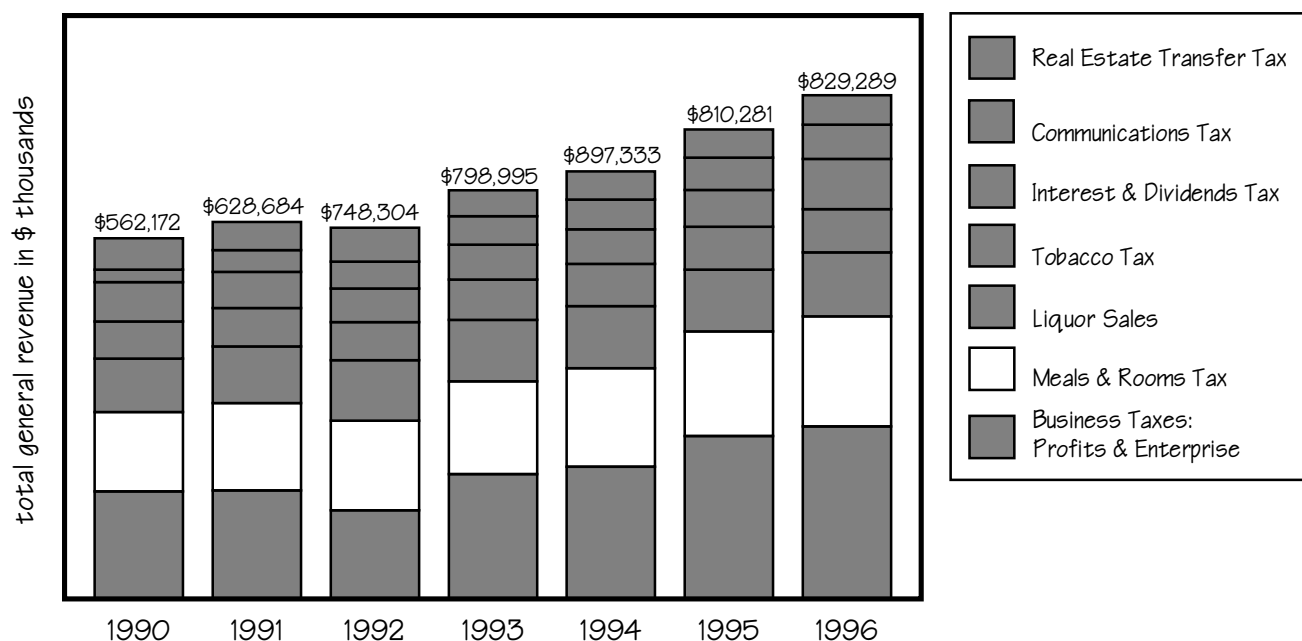


Figure 12.a: Unrestricted General Revenue, Total and Selected Sources

12. GOVERNMENT REVENUES AND EXPENDITURES	1992	1993	1994	1995	Source
UNRESTRICTED REVENUE TO STATE GENERAL FUND (\$ thousands)(FY ending 6/30)					
Total unrestricted revenue	\$748,304	\$798,995	\$1,120,033	\$962,833	AS
Selected unrestricted general fund revenues					
Business profits tax	\$91,604	\$128,727	\$112,293	\$138,348	AS
Business enterprise tax	\$0	\$0	\$23,975	\$29,764	AS
Meals and rooms tax	\$92,078	\$95,398	\$101,419	\$107,501	AS
Liquor sales and distribution tax	\$62,493	\$63,463	\$63,990	\$63,626	AS
Insurance tax & securities revenue	\$44,859	\$48,221	\$56,167	\$56,361	AS
Tobacco tax	\$39,377	\$41,189	\$43,712	\$44,065	AS
Interest and dividends tax	\$34,608	\$36,088	\$35,767	\$37,970	AS
Board and care revenue	\$10,893	\$12,731	\$14,005	\$14,440	AS
Estate and legacy tax	\$28,128	\$31,064	\$32,128	\$38,456	AS
Telephone/communication tax	\$27,762	\$29,529	\$30,512	\$33,212	AS
Real estate transfer tax	\$35,105	\$26,837	\$29,221	\$28,971	AS
Utilities tax	\$22,998	\$21,077	\$19,962	\$17,073	AS
Medicaid enhancement revenue	\$167,844	\$180,100	\$250,400	\$116,614	AS
STATE GOVERNMENT GENERAL REVENUE					
Total (\$ millions) (FY ending 6/30)	\$2,303.2	\$2,550.5	\$2,649.3	n/a	CB
Taxes	\$856.2	\$993.3	\$839.0	n/a	CB
From Federal Government	\$732.9	\$779.7	\$1,027.3	n/a	CB
Per \$1,000 Personal Income					
New Hampshire	\$95.82	\$105.27	\$106.20	n/a	CB
United States	\$125.73	\$127.60	\$129.76	n/a	CB
United States rank:					
Total general revenue	49	46	46	n/a	CB
From taxes	50	50	50	n/a	CB
From Federal Government	37	37	21	n/a	CB
STATE GOVERNMENT GENERAL EXPENDITURES					
Total (\$ millions) (FY ending 6/30)	\$2,452.8	\$2,583.6	\$2,797.4	n/a	CB
Per \$1,000 Personal Income					
New Hampshire	\$102.04	\$106.60	\$112.1	n/a	CB
United States	\$127.10	\$126.20	\$128.5	n/a	CB
United States rank:					
Total general expenditures	46	44	42	n/a	CB
Education	49	50	50	n/a	CB
Public welfare	35	9	6	n/a	CB
Highways	48	39	45	n/a	CB
STATE & LOCAL GOVERNMENT GENERAL REVENUE PER \$1,000 PERSONAL INCOME (FY ending 6/30)					
Total general revenue	\$173.00	\$179.32	n/a	n/a	CB
United States rank	47	46	n/a	n/a	CB
Total taxes	\$103.80	\$106.81	n/a	n/a	CB
United States rank	50	41	n/a	n/a	CB
Property tax	\$62.36	\$65.45	n/a	n/a	CB
United States rank	2	1	n/a	n/a	CB
Percent of total taxes	60.1%	61.3%	n/a	n/a	CB
Percent of general revenue	36.0%	36.5%	n/a	n/a	CB
United States rank	1	1	n/a	n/a	CB
PROPERTY VALUATIONS, EQUALIZED					
State total equalized valuation (\$ millions)	\$62,518	\$60,372	\$60,548	\$59,459	RA
Annual percent change	-7.2%	-3.4%	0.3%	-1.8%	RA/NHES
Percent in Hillsborough & Rockingham Counties	52.6%	52.2%	50.6%	52.0%	RA
Property tax assessment ratio	1.01	1.03	1.05	1.04	RA
Full value tax rate per \$1,000	\$22.88	\$24.58	\$25.34	\$25.10	RA
UNEMPLOYMENT INSURANCE TAX					
Average tax (federal & state) per worker in private covered employment	\$189	\$215	\$223	\$183	NHES

The meals and rooms tax was the second largest source of general fund unrestricted revenue and continued its steady upward trend with nearly identical increases of \$6.0 million in 1995 and \$5.8 million in 1996. For fiscal year 1994, the meals and rooms tax was charged for stays in general hospitals but was credited to Medicaid enhancement revenues. The meals and rooms tax at general hospitals was discontinued June 30, 1995. Beginning in fiscal year 1995 a portion of the meals and rooms tax is shared with local governments and certain unincorporated places. The fiscal year 1995 distribution was 2.6 percent of the total meals and rooms tax, and increased to 8.1 percent (unaudited) in fiscal year 1996. Beginning with fiscal year 1997, local governments will receive an amount equal to the prior year's distribution plus 75 percent of any increase in the income received from the tax over the preceding year, not to exceed \$5 million, until the amount distributed annually is equal to 40 percent of the total meals and rooms tax revenue.

Revenue from liquor sales and distribution had been steadily climbing until fiscal year 1995 when it declined by \$364,000. In 1996 revenue rose by \$2.3 million (3.7 percent.) While revenue from the tobacco tax increased in both fiscal years 1995 and 1996, the increases were much less than the 1994 increase of 4.8 percent. The increase in 1995 was 2.1 percent, and declined further to 1.1 percent in 1996.

The revenue source with the largest percentage gain in 1996 was the interest and dividends tax, up 36.6 percent or \$13.9 million. Legislation effective June 12, 1995 made several changes to this tax. Previously individuals had to file a return when income from interest and dividends on stocks, bonds, and other types of investments was more than \$1,200. The amount for joint filers was \$2,400. The minimums were raised to \$2,400 and \$4,800 respectively. Another change eliminated the exemption for

#### Health & Social Services and Justice & Public Protection Have Had the Largest Increase in General Fund Net Appropriations

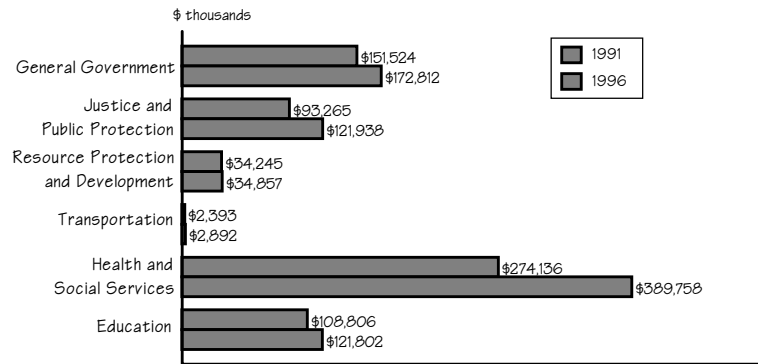


Figure 12.b: State of NH General Fund Net Appropriations, 1991 & Unaudited 1996

Source: NH Department of Administrative Services

interest and dividend income derived from New Hampshire and Vermont banks. Pending litigation challenges the constitutionality of the tax structure of the interest and dividends tax.

In 1991 New Hampshire started receiving Medicaid enhancement revenues which amounted to \$51.5 million that year. The following year it jumped to \$167.8 million, and increases in 1993 and 1994 brought it to \$250.4 million. The 1994 increase was from a one time disproportionate share receipt of \$129.0 million of which \$99.0 million was set aside to establish the state's Health Care Transition Fund. Changes made by the federal government caused a sharp drop in Medicaid enhancement revenue, and the 1995 amount was \$116.6 million. In certain circumstances, transfers from the Health Care Transition Fund may be made to offset shortfalls in Medicaid enhancement revenues.

General fund appropriations for fiscal year 1995 were \$863.3 million, up \$46.9 million from 1994. Health and social services appropriations again had the largest increase, up \$39.6 million. It has grown rapidly in recent years, from an appropriation of \$274.1 million in 1991 to \$403.0 million in 1995, but the growth stopped in 1996. The 1996 appropriation for health and social services was \$389.8, and a similar amount was budgeted for 1997. The

general government category was up \$13.5 million. Justice and public protection increased by \$5.2 million. Education was \$9.6 million less because the 1994 appropriations had a onetime \$10 million appropriation for foundation aid for New Hampshire schools.

Data for state and local government general revenue comparisons are not available for 1994, but the pattern probably won't vary much from previous years. The Bureau of the Census, U.S. Department of Commerce, computes state rankings in revenue and expenditures by comparing them to personal income. Total general revenue and total taxes per \$1,000 personal income have consistently shown New Hampshire among the lowest in the nation. Because New Hampshire state and local governments rely heavily on property taxes for general revenue, the state has just as consistently ranked at the top when comparing property taxes as a percent of general revenue with other states.

While most areas of the state's economy have recovered from the recession and in some cases surpassed pre-recession levels, property values declined again. The 1995 equalized assessed valuation was down \$1.1 billion from 1994, and was nearly one-fourth less than it was in

1989. That year the equalized assessed valuation was \$77.4 billion. In spite of an increase in the tax rate, revenue from the real estate transfer tax, assessed on both the buyer and the seller, declined from \$44.8 million in 1987 to 29.0 million in 1996. The current tax rate is \$0.50 per \$100 of the price of the transfer. In 1987 the rate was \$0.375 for the first part of the year and dropped to \$.35 for the last half. The real estate transfer tax generated less revenue because of a sluggish real estate market, declining property values, and a change to the law that allowed commercial property to be transferred without a tax liability.

From 1990 to 1994 the average unemployment insurance tax (federal and state) paid per worker doubled from \$108 to \$223 per covered worker. The trust fund established to handle the unemployment compensation money flow in

New Hampshire declined precipitously during the recession. The tax rate to employers for UC insurance was escalated to rebuild the fund. In 1995 the fund reached a level where there could once again be a rate reduction based on fund balance. The average tax per worker went down by \$40 in 1995.

*Raymon Aldrich*

Property Valuations Slide Again After Leveling Off in 1994

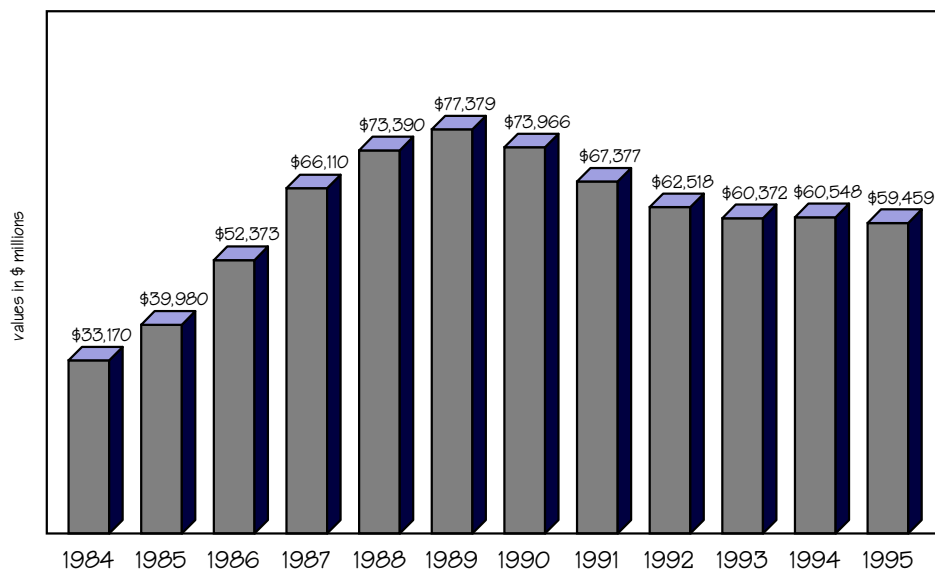


Figure 12.c: State Total Equalized Property Valuations, 1984 - 1995

## 13. INCOME, WAGES, AND COST OF LIVING

Total personal income for 1995 rose 7.3 percent over 1994 to \$29.381 billion. The earnings portion increased a similar 7.3 percent and was spread among all the divisions, led by a 10.0 percent increase in the services division. Finance, insurance, and real estate, beset by restructuring, nonetheless has a 7.4 percent increase. Manufacturing employment produced only a 2.3 percent increase in 1995. The dividends, interest, and rent component increased 9.4 percent and transfer payments were up 4.2 percent. New Hampshire had the tenth highest percentage gain and, for the second consecutive year, led all New England states in percentage increase over the previous year. New England had a 6.4 percent increase. Nevada followed its nation leading 1994 increase of 10.1 percent with 9.4 percent in 1995. This tied with Arizona for the largest 1995 percentage increase in the nation. The entire United States increase was 6.2 percent.

New Hampshire's residents registered per capita personal income of \$25,587. The 6.2 percent jump over 1994 was the second consecutive year for per capita personal income to increase in excess of six percent. No other state in the nation increased at or above six percent in each of those two years. New Hampshire's per capita personal income was the seventh highest in the nation. All of the other six states were also northern Atlantic Coast states. Per capita personal income for New England was up 6.1 percent to \$27,388. Both the amount and the percentage increase were the highest among the regions. The nation was at \$23,208, a 5.3 percent increase.

Per capita personal income in New Hampshire, after adjusting for inflation by the Consumer Price Index (CPI), had a 3.6 percent increase, the largest annual gain since 1988. This was the second year for an increase of this scope. Likewise, when adjusted for

inflation using the implicit price deflator, per capita personal income rose 3.7 percent. Prior to 1994 there had been a six-year cycle of decline or stagnation in inflation-adjusted per capita personal income. Forty-eight of the fifty states had larger percentage per capita personal income growth than either the CPI or the implicit price deflator.

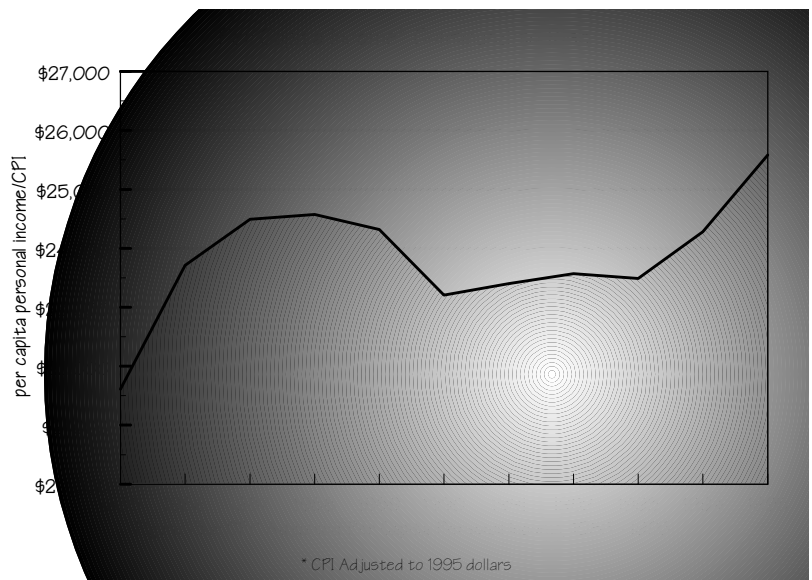
Per capita disposable income, per capita income after taxes, was \$22,209. New Hampshire leapfrogged over

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**Continuing decreases in unemployment and a rise in labor force participation rates have helped boost per capita disposable income.**

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Maryland to have the sixth highest per capita disposable income in the nation. Two factors that have propelled New Hampshire's income successes are the continuing decrease in the unemployment rate and the rise in the labor force participation rate. The 1995 average unemployment rate was 4.0 percent, down from the 4.4 percent rate in 1994. The labor force participation rate was up three-tenths of a percentage point to 72.5 percent.



13. INCOME, WAGES, AND COST OF LIVING	1992	1993	1994	1995	Source
TOTAL PERSONAL INCOME (\$ millions)	\$24,775	\$25,549	\$27,390	\$29,381	BEA
Net Earnings <sup>a</sup>	67.1%	68.0%	67.4%	67.5%	BEA
Dividends, interest, rent	16.9%	16.9%	16.8%	17.6%	BEA
Transfer payments	13.9%	13.3%	14.1%	14.8%	BEA
PER CAPITA PERSONAL INCOME	\$21,786	\$22,312	\$23,680	\$25,587	BEA
United States rank (including D.C.)	10	11	7	7	BEA
Annual percent change	2.0%	2.4%	6.1%	8.1%	BEA
Net percent change after adjusting for inflation using:					
CPI	-0.8%	-0.3%	3.4%	5.4%	
Implicit Price Deflator for GDP	-0.7%	-0.2%	3.7%	5.5%	BEA/NHES
PER CAPITA DISPOSABLE INCOME	\$19,478	\$19,853	\$20,985	\$22,209	BEA
United States rank (include D.C.)	8	10	7	6	BEA
Annual percent change	3.3%	1.9%	5.7%	5.8%	NHES/BEA
Net percent change after adjusting for inflation using:					
CPI	0.4%	-0.8%	2.9%	3.2%	
Implicit Price Deflator for GDP	0.5%	-0.7%	3.3%	3.4%	BEA/NHES
MEDIAN HOUSEHOLD INCOME					
New Hampshire	\$40,831	\$40,040 <sup>b</sup>	\$36,244 <sup>b</sup>	\$39,171 <sup>b</sup>	CB
Connecticut	\$42,288	\$41,676 <sup>b</sup>	\$42,262 <sup>b</sup>	\$40,243 <sup>b</sup>	CB
Maine	\$30,594	\$28,938 <sup>b</sup>	\$31,175 <sup>b</sup>	\$33,858 <sup>b</sup>	CB
Massachusetts	\$37,652	\$39,090 <sup>b</sup>	\$41,648 <sup>b</sup>	\$38,574 <sup>b</sup>	CB
Rhode Island	\$31,553	\$35,341 <sup>b</sup>	\$32,633 <sup>b</sup>	\$35,359 <sup>b</sup>	CB
Vermont	\$33,812	\$32,763 <sup>b</sup>	\$36,817 <sup>b</sup>	\$33,824 <sup>b</sup>	CB
TOTAL WAGES in employment covered by unemployment compensation (\$ millions)					
Private and public employers	\$11,843	\$12,218	\$13,026	\$14,045	NHES
Annual percent change	6.3%	3.2%	6.6%	7.8%	NHES
AVERAGE WEEKLY WAGES IN PRIVATE EMPLOYMENT covered by unemployment compensation					
All industries (annual average)	\$473.13	\$475.83	\$486.79	\$507.23	NHES
United States rank (including D.C.)	17	20	20	21	BLS
Annual percent change	5.2%	0.6%	2.3%	4.2%	NHES
Manufacturing	\$626.44	\$627.06	\$644.01	\$665.01	NHES
Construction and mining	\$506.50	\$510.21	\$520.48	\$549.81	NHES
Transportation, communications, and utilities	\$618.94	\$605.73	\$617.65	\$637.40	NHES
Wholesale trade	\$674.31	\$688.81	\$718.15	\$760.73	NHES
Retail trade	\$266.34	\$272.77	\$283.67	\$289.00	NHES
Finance, insurance, and real estate	\$581.17	\$586.90	\$602.56	\$645.92	NHES
Services and other	\$441.74	\$446.73	\$452.87	\$478.23	NHES
AVERAGE WEEKLY EARNINGS					
Production Workers in Nonfarm Employment	\$466.75	\$489.20	\$496.20	\$496.29	BLS
United States rank (including D.C.) [1 = highest]	27	22	22	29	BLS
CONSUMER CREDIT OUTSTANDING (\$million)	13,604	14,049	15,760	17,396	RFA,NEEP
U.S. PRICE INDICES:					
CONSUMER PRICE INDEX, All Urban Consumers, Year End (US, 1982-4=100)					
December each year	141.9	145.8	149.7	153.5	BLS
December to December percent change	2.9%	2.7%	2.7%	2.5%	BLS
IMPLICIT PRICE DEFLATOR FOR GDP (1992=100)	100.0	102.6	105.0	107.5	BEA
Percent change	2.8%	2.6%	2.3%	2.4%	BEA/NHES

<sup>a</sup> Earnings (wages and salaries, other income, and proprietors' income) by place of work, less personal social insurance by place of work; adjusted for place of residence.

<sup>b</sup> Data collection method changed from paper and pencil to computer assisted interviewing.

New Hampshire's median household income, as provided by the Census Bureau, rebounded nearly \$3,000 to \$39,171 in 1995. The amount fell \$869 short of returning to the 1993 level. With the exception of Maine, every New England state which increased in 1994 fell in 1995 and vice versa. Maine experienced two increases, each above \$2,000.

Total wages in employment covered by unemployment compensation had the largest percentage increase seen since 1988. Ten years ago wages paid by manufacturers doubled those paid by employers in the services division. In 1995 wages in services totaled \$3.558 billion while manufacturing wages were at \$3.536 billion. This was the first time for a division other than manufacturing to have the highest total wages paid. The average weekly wage paid to employees in the services division was over \$25 more than in 1994 compared to a \$21 increase in manufacturing. Concurrently, services added nearly 7,000 employees while manufacturing added fewer than 1,500.

Despite the \$21 increase in the average weekly wage in manufacturing employment, the earnings for production workers within manufacturing uncharacteristically receded. The largest loss was in the manufacture of electronic and other electrical equipment with a \$36.57 decrease in its average weekly wage. The decrease was mainly the result of shorter work weeks. Electronics work week fell by 2.5 hours and all manufacturing fell by seven-tenths of an hour.

The state's average weekly wage in private employment covered by unemployment compensation had a 4.2 percent increase in 1995 over 1994. This was considerably above the 2.5 percent increase in the CPI. The 1992 to 1995 change for all industries is 7.2 percent, still short of the CPI growth over that period of 8.1 percent but is very close to the 7.5 percent of the implicit price deflator for GDP. The continuing low unemployment rate should be a precursor to wage growth. New Hampshire

ranked 21st in the United States in average weekly wage.

From December 1994 to December 1995 the Implicit Price Deflator for GDP went from 105.0 to 107.5, a 2.4 percent change. At the same time the CPI rose from 149.7 to 153.5, an increase of 2.5 percent. Both of these indices are used as gauges of inflation. The 1995 rate was the fourth consecutive annual rate increase under three percent. Among the CPI components, other goods and services, primarily personal and educational expenses, had the largest increase, a 4.3 percent hike. The largest gainer in 1994, medical care, was next as it jumped from 215.3 in December 1994 to 223.8 in December 1995, a 3.9 percent increase. Apparel and upkeep had the smallest increase, 0.1 percent.

Consumer credit outstanding continued to increase. This escalation is a matter of concern to bankers and economists. The rise in filings for personal bankruptcy is mainly attributable to credit card debt. Easy access to credit cards and the lure of extended credit limits has allowed consumers to extend themselves beyond a manageable credit limit.

*Martin Capodice*

Wholesale Trade; Finance, Insurance, and Real Estate; and Manufacturing;  
Lead Real Average Weekly Wage Gains Over the Past Ten Years

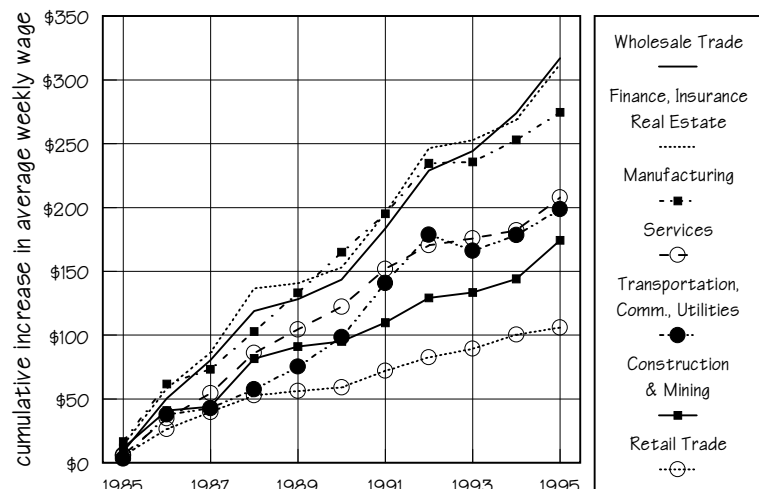


Figure 13b: Change in Average Weekly Wages from 1985 for Selected Industries, Adjusted for Inflation

## 14. SOCIAL ASSISTANCE

The lowest poverty rate in the nation was once again in New Hampshire, which had a 7.6 percent 1993 to 1995 three-year average poverty rate. Comparison of the differences between two-year moving averages (1993-1994 and 1994-1995) showed a statistically significant drop of

### New Hampshire once again boasts the lowest poverty rate in the nation.

2.3 percent of New Hampshire residents in poverty. New Hampshire's 1995 poverty rate of 5.3 percent is also the lowest in the nation. Because there is a relatively large standard error in year-to-year changes, the moving average is the most accurate method of evaluating changes over time. Poverty data is compiled from the Current Population Survey (CPS). It is defined by a poverty threshold which is based on size of family and the Consumer Price Index. Currently (1995) the U.S. poverty threshold for a family of four is defined as \$15,569 annual income.<sup>1</sup>

The annual average number of persons on welfare continued to slow and, for the first time in the 1990s, actually showed a decline, dropping 12.9 percent from 1994. There were fewer people on welfare in 1995 than in any of the three previous years. New Hampshire welfare reform, specifically the New Hampshire Employment Program (NHEP), continues to progress. This pilot program requires welfare applicants to be working or searching for work to receive assistance. New Hampshire is the first New England state to meet the new federal guidelines, and the ninth state nationwide.<sup>2</sup> In the past year (October 1995 through September 1996) 2,903 clients were referred to NHEP for services. Program activities were started by 2,120 clients, including:<sup>3</sup>

Job Search .....	1,382
Adult Education .....	167
Postsecondary Education .....	53
Job Skills Training .....	132
Work Experience Program .....	59
On-The-Job Training .....	10
Barrier Resolution .....	233

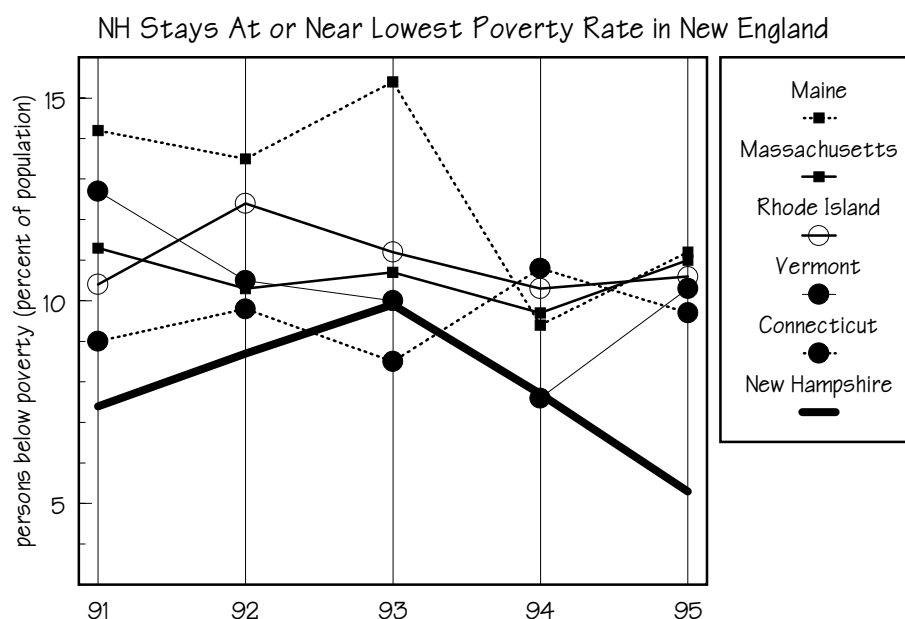


Figure 14.a: Poverty Rates, New England States, 1991-1995

Numbers of NH Welfare and AFDC recipients were down for the first time; both US and NH poverty rates slow as well

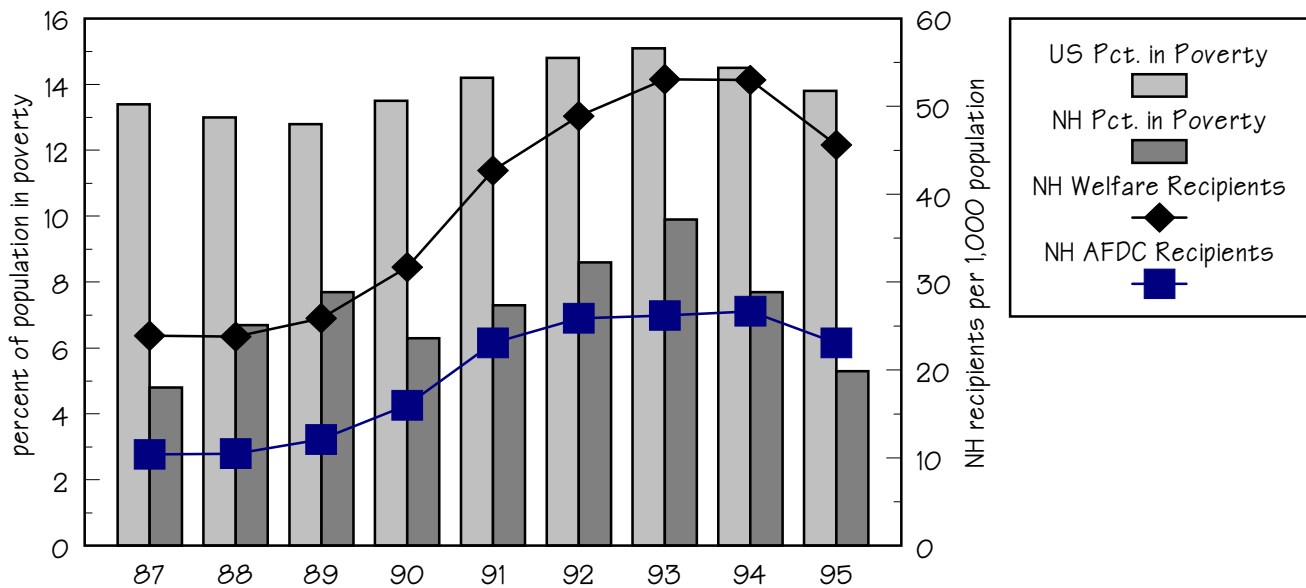


Figure 14.b: Poverty, NH & US / Social Assistance, NH, 1987-1995

The push for welfare reform appears to have taken hold across the country. All but four states had fewer AFDC recipients in July 1995 than in July 1994. AFDC recipients per thousand population ranged from 20.3 in Idaho (which actually had a numeric increase) to 84.2 in California. The numbers of AFDC recipients in New Hampshire went down by 12.6 percent (July figures), and AFDC recipients per thousand population was 23.1, which ranked New Hampshire fifth lowest among the fifty states.

Most recent reports indicate that the state will be receiving federal dollars in block grants for welfare, allowing this pilot program to continue. States will no longer receive money based on number of welfare applicants, but will receive the same amount of money regardless of the numbers of people asking for assistance. Block grant calculations are based on the welfare pool of 1994.<sup>4</sup>

### Social Security Trust Funds

During the past few years, the status of trust funds for Social Security and Medicare have been hot button political topics. Dismal rumors have run rampant about

the country: Social Security and Medicare will be slashed; don't count on Social Security or Medicare if you're under 40; old people will be forced to live on the streets. While these rumors are unsubstantiated, there is strong evidence of the need for change in the administration of the Social Security and Medicare Trust Funds. Continuing status quo will most certainly result in the failure to protect future generations.

According to a report from the Social Security and Medicare Trust Fund public trustees,<sup>5</sup> the trust funds, of which there are four, have varying projected exhaustion dates. The projections are based on economic growth, wage growth, inflation, unemployment, fertility, immigration, and mortality, among other factors. Both short- and long-range outlooks are tested, using three alternative sets of economic and demographic assumptions.

The Medical Hospital Insurance Trust Fund (HI) is the most critical. It is projected to be exhausted in 2001. A lack of action would most certainly have a drastic effect on health care in the United States, since Medicare is a major part of

14. SOCIAL ASSISTANCE	1992	1993	1994	1995	Source
<b>POVERTY</b>					
Persons below poverty (percent of population)					
Caution: relatively large standard errors					
New Hampshire	8.7%	9.9%	7.7%	5.3%	CB
Connecticut	9.8%	8.5%	10.8%	9.7%	CB
Maine	13.5%	15.4%	9.4%	11.2%	CB
Massachusetts	10.3%	10.7%	9.7%	11.0%	CB
Rhode Island	12.4%	11.2%	10.3%	10.6%	CB
Vermont	10.5%	10.0%	7.6%	10.3%	CB
United States	14.8%	15.1%	14.5%	13.8%	CB
<b>WELFARE (Annual averages)</b>					
Total cases (same day each month)	27,448	29,540	31,233	31,218	DHS/NHES
Aid to families with dependent children (AFDC) <sup>a</sup>	12,420	13,653	14,187	12,798	DHS/NHES
Age 65 or over	7,747	8,001	8,135	8,446	DHS/NHES
Disabled or blind	5,771	6,389	7,346	8,305	DHS/NHES
Persons on welfare (averages of 1 day per month) <sup>a</sup>	54,462	59,692	60,099	52,373	DHS
Annual percent change	15.4%	9.6%	0.7%	-12.9%	DHS
<b>AFDC RECIPIENTS PER 1,000 POPULATION (July data)</b>					
New Hampshire	25.9	26.2	26.7	23.1	OFA/NHES
United States rank (1=lowest)	4	3	6	5	OFA/NHES
Connecticut	47.9	49.3	51.0	51.7	OFA/NHES
United States rank	27	30	33	37	OFA/NHES
Maine	54.4	54.4	50.9	46.9	OFA/NHES
United States rank	37	35	32	32	OFA/NHES
Massachusetts	51.6	54.1	49.4	42.3	OFA/NHES
United States rank	34	34	30	27	OFA/NHES
Rhode Island	59.7	61.7	62.3	59.8	OFA/NHES
United States rank	42	44	Tie 45	Tie 46	OFA/NHES
Vermont	50.4	49.6	47.9	45.6	OFA/NHES
United States rank	33	28	28	30	OFA/NHES
<b>SOCIAL SECURITY RECIPIENTS (December data)</b>					
Total OASDI including spouses and children	172,250	176,050	180,090	186,290	SSA
Annual percent change	3.2%	2.2%	2.3%	3.4%	SSA
Retirement (Retired workers) <sup>b</sup>	117,840	119,960	121,300	124,230	SSA
Survivor (Widows, Widowers and Parents) <sup>b</sup>	18,640	18,920	19,130	18,970	SSA
Disability (Disabled workers) <sup>b</sup>	12,950	14,240	15,960	17,580	SSA
Age 65 and over	129,010	131,710	133,300	136,290	SSA
Percent of total OASDI recipients	74.9%	74.8%	74.0%	73.2%	SSA/NHES
Age 65-69 years	38,910	39,740	39,290	39,480	SSA
Age 70-74 years	33,640	33,850	34,840	35,720	SSA
Age 75 years and older	56,460	58,120	59,170	61,090	SSA
Percent women	59.6%	59.6%	59.6%	58.8%	SSA/NHES
Children aged 17 and under	9,100	9,340	10,430	11,780	SSA
Monthly OASDI benefit amount total (thousands)	\$82,700	\$87,400	\$91,660	\$96,773	
Retired workers (median)	\$654.90	\$675.40	\$702.90	\$725.40	SSA
Non-disabled widows and widowers (median)	\$622.00	\$651.20	\$685.30	\$699.10	SSA
Disabled workers (median)	\$606.50	\$626.40	\$640.40	\$652.20	SSA

<sup>a</sup> Includes families with unemployed parent in household.<sup>b</sup> Excludes spouses and children

AFDC cases and total persons receiving food stamps have shown the largest increases of all types of social assistance

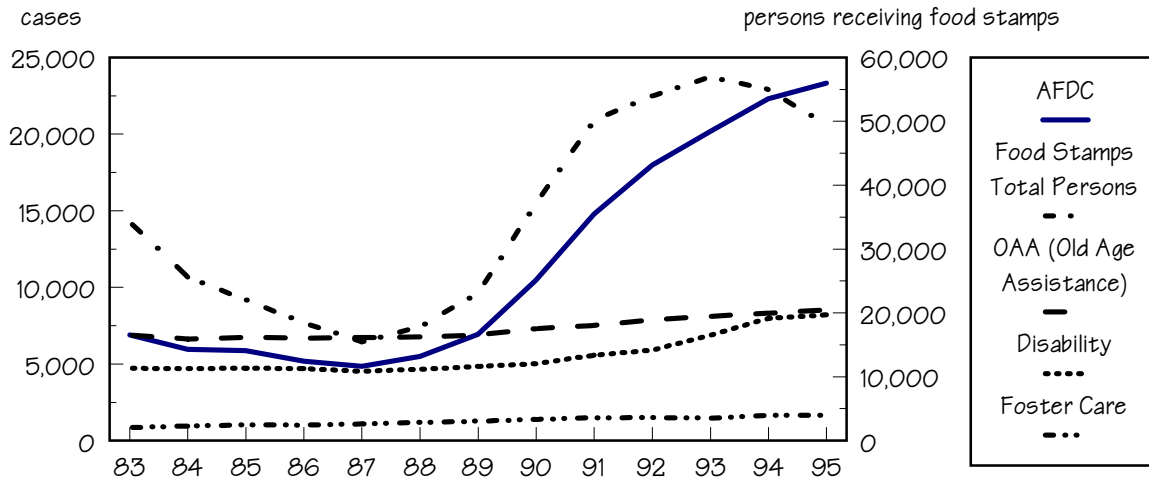


Figure 14.c: Social Assistance Cases, 1978-1995 (December)

Note: Unemployed Parent added to AFDC total as of 1990

the U.S. health care system. The other portion of Medicare, the Medicare Supplemental Medical Insurance Trust Fund (SMI) expenditures, have grown at an increasingly rapid rate, and are projected to triple expenditures by 2020. As with HI, careful—and rapid—examination of expenditures and enactment of changes must take place to cope with the high rates of growth in medical spending and pressures from an aging population.

The other funds, Old-Age and Survivors Insurance Trust Fund (OASI) and the Disability Insurance Trust Fund (DI), also face prospects of expenditures exceeding income. For OASI, annual income (including interest) will exceed outgo until 2019, leaving some time for change implementation before trust fund levels reach crisis. DI trust fund expenditures are the smallest of all the trust funds. Historically, this fund has had periods of growth and decline not attributable to any one cause. With careful monitoring and increased review of the disability status, this fund should close the projected deficit.

### How This Effects New Hampshire

December 1995 data shows that 186,290 New Hampshire residents (approximately 16 percent) received Old-Age Survivors or Disability Insurance (OASDI) benefits, an increase of 3.4 percent over 1994. Of these, 73.2 percent were age 65 and over. The percentage of recipients age 65 and over has held fairly steady over the last four years; whereas total OASDI recipients has increased. As about 223,000 New Hampshire 45- to 54-year-olds reach retirement age beginning in 2007, the condition of the Social Security and Medicare Trust Funds will be of primary concern.

*Katrina Evans*

<sup>1</sup> Baugher, Eleanor and Lamison-White, Leatha, *Poverty in the United States: 1995*, US Department of Commerce, Economics and Statistics Administration, Bureau of the Census

<sup>2</sup> Timmins, Annmarie, "Welfare to come in block grant," *Concord Monitor*, November 15, 1996

<sup>3</sup> NH Department of Health and Human Services, NH Employment Program Report

<sup>4</sup> Timmins, Annmarie, "Welfare to come in block grant," *Concord Monitor*, November 15, 1996

<sup>5</sup> Kellison, Stephen G., and Moon, Marilyn, Public Trustees of the Social Security and Medicare Trust Fund, *Social Security Bulletin* Vol. 59 No. 2, Summer 1996

## 15. HEALTH

For the second year in a row, the ReliaStar State Health Rankings (1995) have rated New Hampshire as the healthiest state in the nation. The health report measures disease, lifestyle, access to health care, occupational safety and disability, and mortality. New Hampshire scored favorably in violent crime, adequacy of prenatal care, support for public health care, infant

### Thirty-six percent of New Hampshire's teens said they had smoked in the last thirty days.

mortality, and premature death; the state also showed improvement from 1994 in high school graduations and cancer cases. However, performance slipped in risk for heart disease, lack of access to primary care, and occupational fatalities. Of the New England states, Connecticut ranked fourth, Vermont sixth, Massachusetts seventh, Maine tenth, and Rhode Island nineteenth.<sup>1</sup>

On the eve of the Great American Smoke Out, the 1996 ReliaStar State

Health Rankings were released. New Hampshire lost ground, dropping to fourth place behind Minnesota, Utah, and Hawaii. The biggest influence on the drop in standings? The number of smokers in the state. Not only are more adults smoking, but the number of teens who smoke is on the rise as well.

Based on the Behavioral Risk Factor Surveillance study, the Department of Health and Human Services estimates that 22.35 percent of New Hampshire's population aged eighteen and over were smokers in 1994. The national average was 22.58 percent. Of students grades 9 through 12 surveyed by the New Hampshire Department of Education, 36 percent said they had smoked in the last thirty days, one of the highest rates for any state. Thirty-two percent of male students and 39.9 percent of female students surveyed said they had smoked in the last thirty days. The Centers for Disease Control and Prevention estimates that 35 percent of teenagers smoked in 1995, up from 30 percent in 1993. Smokeless tobacco is also popular with teenagers. Experts say one dip of chewing tobacco is the equivalent of three or four cigarettes.<sup>2</sup>

Length of an Average Hospital Stay in New Hampshire Finally Ends Upward Climb and Follows the Region and the Nation Down

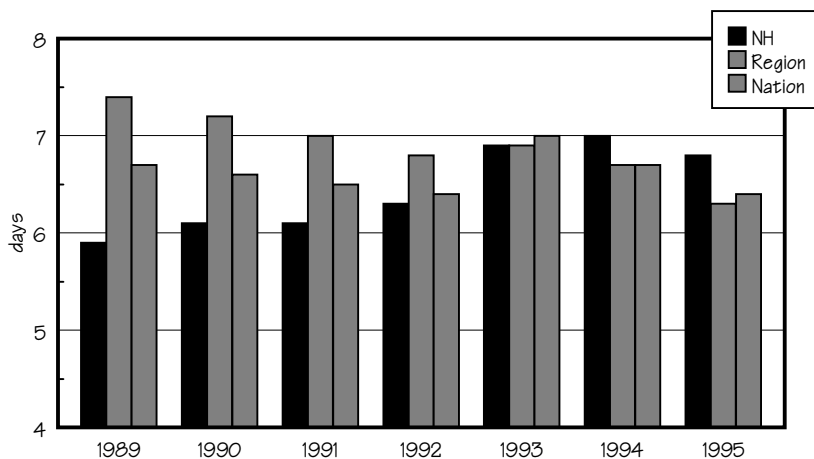


Figure 15.a: Length in Days of Average Hospital Stay in General Hospitals  
New Hampshire, New England, and United States

The ReliaStar report showed that nationally the overall health of Americans has improved. A rise in smoking rates may reverse that trend. The national rate of smokers jumped from 22.2 percent to 22.6 percent this year, an increase of more than 1 million smokers. Of the New England states, only Massachusetts improved its standing, ranking fifth. Connecticut ranked seventh, Vermont eighteenth, Maine twenty-second, and Rhode Island twenty-eighth.<sup>3</sup>

### Workers' Compensation

Benefits paid to claimants for workers' compensation decreased once again in 1995 by 9.7 percent to \$160.3 million.

15.HEALTH	1992	1993	1994	1995	Source
<b>HOSPITAL INSURANCE</b>					
Medicare:					
Aged	131,000	134,000	136,000	138,000	SSA
Disabled	13,000	14,000	16,000	17,000	SSA
Average covered charge per day of care					
Short-stay hospitals:					
New Hampshire	\$1,226	\$1,455	\$1,544	\$1,688	SSA
New England	\$1,283	\$1,424	\$1,567	\$1,760	SSA
United States	\$1,457	\$1,626	\$1,764	\$1,926	SSA
Skilled Nursing Facilities					
New Hampshire	\$284	\$366	\$402	\$419	SSA
New England	\$223	\$260	\$301	\$347	SSA
United States	\$271	\$313	\$356	\$402	SSA
Medicaid:					
Average payments per recipient					
New Hampshire	\$4,779	\$4,794	\$4,848	\$4,880	SSA
New England	\$4,201	\$4,071	\$4,660	\$4,846	SSA
United States	\$2,937	\$3,042	\$3,080	\$3,311	SSA
<b>WORKERS' COMPENSATION PAYMENTS</b>					
Reported injuries & compensable disabilities					
Injuries per 100 in employment (FY)	11.4	11.5	11.3	11.1	LD
Compensable injuries per 100 in employment (FY)	2.4	2.6	2.5	2.3	LD
Benefits paid by insurance companies and self insurers (Calendar year, \$ millions)	\$203.2	\$194.6	\$177.6	\$160.3	LD
Annual percent change	-1.4%	-4.2%	-8.7%	-9.7%	LD/NHES
<b>HEALTH SERVICES</b>					
General hospitals, acute care only (excludes nursing home beds)					
Total admissions	114,715	108,176	105,437	109,708	HA
Percent change					
New Hampshire	0.5%	-5.7%	-2.5%	4.1%	HA
New England	0.8%	-2.1%	-2.4%	n/a	HA
United States	-0.2%	-0.2%	-0.1%	n/a	HA
Total number of inpatient days	723,130	749,255	763,704	753,739	HA
Inpatient days per 1,000 population:					
New Hampshire	650.9	666.0	691.1	685.2	HA
New England	840.9	834.7	792.9	722.0	HA
United States	777.4	836.9	795.8	767.8	HA
Average length of stay (in days):					
New Hampshire	6.3	6.9	7.0	6.8	HA
New England	6.8	6.9	6.7	6.3	HA
United States	6.4	7.0	6.7	6.4	HA
Inpatient Surgeries	40,097	36,993	33,317	n/a	HA
Outpatient Surgeries	45,636	47,883	47,664	n/a	HA
<b>TOTAL EXPENSE PER HOSPITAL ADMISSION <sup>a</sup></b>					
New Hampshire	\$5,491	\$6,881	\$6,087	\$6,187	HA
Annual percent change	10.3%	25.3%	-11.5%	1.6%	HA/NHES
New England	\$6,421	\$6,932	\$7,096	\$6,877	HA
Annual percent change	5.7%	8.0%	2.4%	-3.1%	HA/NHES
United States	\$5,943	\$6,333	\$6,454	\$6,215	HA
Annual percent change	8.5%	6.6%	1.9%	-3.7%	HA/NHES

<sup>a</sup> Includes all patient activity with admission of one day or more.

Since the 19.5 percent increase in 1991, this amount has been steadily decreasing; and now is the same as 1989 outlays. The 1994 to 1995 decrease was the largest in four years. Both injuries per 100 in employment for the fiscal year and compensable injuries per 100 in employment for the fiscal year went slightly down, to 11.1 and 2.3, respectively.

### Health Insurance Coverage<sup>4</sup>

Data from the Current Population Survey show that in the United States, an estimated 40.6 million (15.4 percent) people lacked health insurance during 1995. In New Hampshire, 10 percent of the population were without coverage throughout the year, a statistically insignificant change from the 1994 rate of 11.9 percent. A majority (70.3 percent) of all Americans were covered by a private insurance plan (one offered by an employer or purchased privately). The remaining insured were covered by Medicare (13.1 percent); by Medicaid (12.1 percent); or by military or veteran's health care plans (3.5 percent). Some people were covered by multiple insurance sources.

Despite government-sponsored health care, 30.2 percent of America's poor,

about 11.0 million people, had no health insurance of any kind during 1995—double the rate for all Americans. Nearly half of all poor people were covered by Medicaid at some time during the year. Also, among the poor, workers had a higher uninsured rate than nonworkers.

Some people are distinctly more likely than others to have no health insurance coverage. Key factors and groups of those with a greater chance of lacking health care include:

- Age: Young adults aged 18 to 24 were more likely to lack coverage.
- Race: People of Hispanic origin had the highest chance of lacking coverage.
- Low Educational Attainment: Those with lower educational attainment were more likely to lack coverage.
- Work Experience: Part-time workers (those who worked less than 35 hours per week for the majority of weeks worked) were more likely to be uninsured; but among the poor, workers had a higher uninsured rate than nonworkers.
- Foreign-Born: Noncitizens had a non-coverage rate more than twice that of naturalized citizens, and over half of poor immigrants were without health insurance.

### Fewer NH Nonelderly Residents were Uninsured in 1995

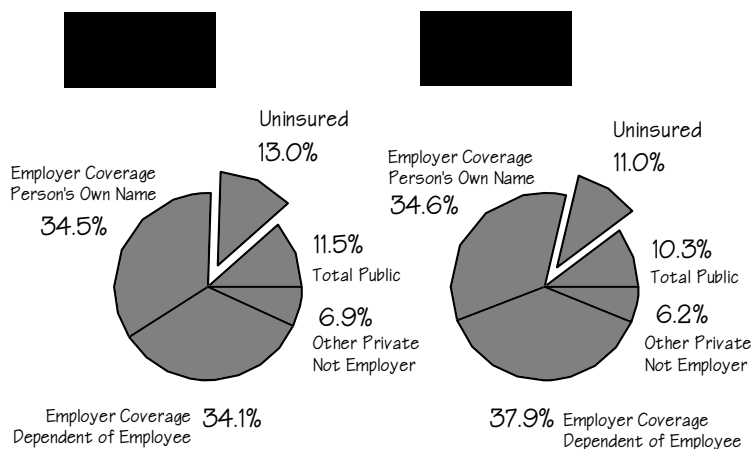


Figure 15.b: Source of Health Insurance, Nonelderly Population, 1994 & 1995  
Note: Total Public includes Medicare, Medicaid, and Military/Veteran Insurances

Source: Employee Benefit Research Institute, Washington, DC

As household income rises, non-coverage decreases. Also significant was size of employer, with smaller firms (25 or fewer people) by far the least likely to have employer-offered health insurance.

Throughout the country, non-coverage rates ranged from 7.3 percent in Wisconsin to 25.6 percent in New Mexico.

Katrina Evans

<sup>1</sup> *Business NH Magazine*, December 1995

<sup>2</sup> Singhania, Lisa, "Butt Out! Granite State Teens Have Tough Time Giving Up Their Smokes," *Manchester Union Leader*, November 21, 1996

<sup>3</sup> Lasalandra, Michael, "Bay State earns high 5 for U.S. health rating," *The Boston Herald*, November 20, 1996

<sup>4</sup> Bennefield, Robert L., *Health Insurance Coverage: 1995*, US Census Bureau Current Population Reports, Household Economic Studies, Page 60-195, September 1996

## 16. CRIME AND ACCIDENTS

The Morgan Quinto Crime State Rankings listed New Hampshire as one of the safest states in the nation. In a 1996 ranking of the most dangerous states, it was 47th, maintaining its 1995 status. The factors considered in this ranking include:

- total crime rate
- violent crime rate
- murder rate
- rape rate
- robbery rate
- aggravated assault rate
- property crime rate
- state prisoner incarceration rate
- juvenile arrest rate
- juvenile arrests for violent crime
- percent change in crime rate
- state and local government expenditures for police protection
- full-time sworn officers in law enforcement agencies per 10,000 population

The coveted safest state in the nation, the rank of 50, was recaptured by Vermont, which had been unseated by Maine in 1995. Maine now holds the 49th spot.

Other states in the five least dangerous include West Virginia at 46th and North Dakota at 48th. The remaining New England states were ranked: Rhode Island, 44th; Massachusetts, 31st; and Connecticut, 30th.<sup>1</sup>

The New Hampshire total crime index decreased for the fifth year in a row, dropping to 2,655.4 per 100,000 population. New Hampshire has also boasted

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**New Hampshire has boasted the lowest crime rate in New England each year since 1990.**

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the lowest crime index in New England each year since 1990. The violent crime index was down for the third year in a row, and the lowest in New England for the first time. Violent crime, which includes the offenses of murder, forcible rape, robbery, and aggravated assault, was down by 1.1 percent with 1,314 offenses, including 18 homicides. Property crimes of burglary, larceny, motor vehicle theft, and arson, were down by 2.2 percent with 29,170 offenses.

The Number of Juvenile Drug Offense Arrests  
End Skyrocketing Increase Rate

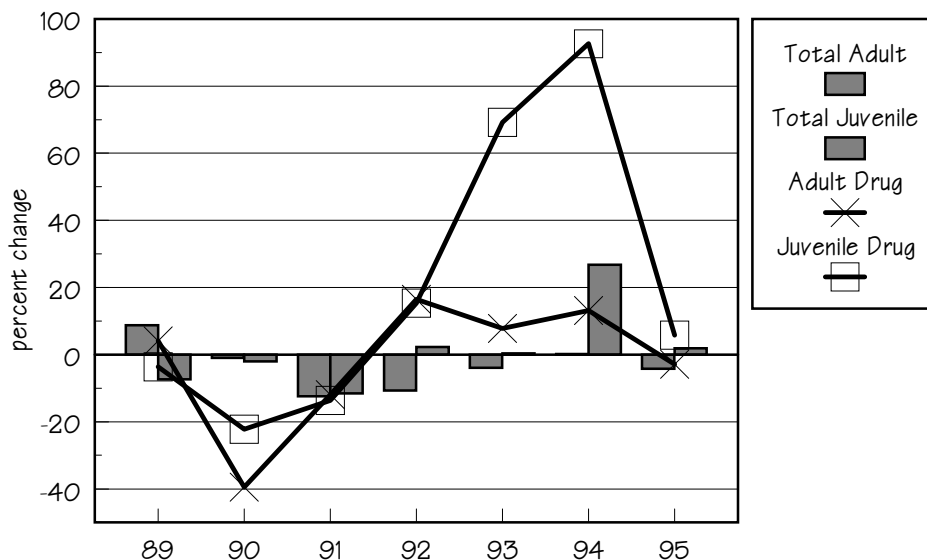


Figure 16.a: Percent Change in Adult and Juvenile Arrests

16. CRIME AND ACCIDENTS	1992	1993	1994	1995	Source
<b>CRIME OFFENSES</b>					
Total crime offenses	34,225	32,681	31,165	30,484	FBI
Annual percent change	-10.2%	-4.5%	-4.6%	-2.2%	FBI
Violent crime offenses	1,397	1,550	1,328	1,314	FBI
Annual percent change	6.0%	11.0%	-14.3%	-1.1%	FBI
Property crime offenses	32,828	31,131	29,837	29,170	FBI
Annual percent change	-10.7%	-5.2%	-4.2%	-2.2%	FBI
<b>TOTAL CRIME INDEX (Rate per 100,000 population)</b>					
New Hampshire	3,080.6	2,905.0	2,741.0	2,655.4	FBI
Connecticut	5,052.9	4,650.4	4,548.0	4,503.2	FBI
Maine	3,523.6	3,153.9	3,272.7	3,284.7	FBI
Massachusetts	5,002.9	4,893.9	4,441.0	4,341.6	FBI
Rhode Island	4,578.0	4,499.0	4,119.1	4,244.5	FBI
Vermont	3,410.0	3,972.4	3,250.3	3,433.7	FBI
United States	5,660.2	5,484.4	5,373.5	5,277.6	FBI
<b>VIOLENT CRIME INDEX (Rate per 100,000 population)</b>					
New Hampshire	125.7	137.8	116.8	114.5	FBI
Connecticut	495.3	456.2	455.5	405.9	FBI
Maine	130.9	125.7	129.9	131.4	FBI
Massachusetts	779.0	804.9	707.6	687.2	FBI
Rhode Island	394.5	401.7	375.5	368.0	FBI
Vermont	109.5	114.2	96.9	118.3	FBI
United States	757.5	746.8	713.6	684.6	FBI
<b>CRIMINAL ARRESTS</b>					
Total	36,021	34,847	36,498	35,400	DS
Annual percent change	-8.8%	-3.3%	4.7%	-3.0%	DS/NHES
Adult annual percent change	-10.7%	-4.0%	0.2%	-4.3%	DS
Juvenile annual percent change	2.3%	0.4%	26.8%	1.9%	DS
Drug Offenses, Total	2,286	2,553	3,081	3,035	DS
Annual percent change	16.5%	11.7%	20.7%	-1.5%	DS/NHES
Adult annual percent change	16.5%	7.8%	13.2%	-2.8%	DS
Juvenile annual percent change	15.3%	69.2%	92.6%	5.8%	DS
DWI, Total	6,304	5,623	5,900	5,487	DS
Annual percent change	-10.3%	-10.8%	4.9%	-7.0%	DS/NHES
Adult annual percent change	-10.3%	-10.9%	4.8%	-7.3%	DS
Juvenile annual percent change	-16.7%	0.0%	18.3%	16.9%	DS
<b>STATE PRISON POPULATION (June 30th)</b>					
Number of prisoners in State prison	1,777	1,988	2,056	2,087	DJ
Incarceration rate (prisoners/100,000 population)	159.9	176.7	180.8	181.8	DJ/NHES
U.S. incarceration rate (federal and state jurisdiction)	330	351	365	403	DJ
Probation and parole caseload (FY ending 6/30)	4,861	4,970	5,390	5,583	DC
<b>TRAFFIC ACCIDENTS</b>					
Total accidents reported	25,688	24,339	26,158	28,301	DS
Annual percent change	-5.5%	-5.3%	7.5%	8.2%	DS/NHES
Total injuries reported	11,867	11,684	10,928	11,508	DS
Annual percent change	23.2%	-15.4%	-6.5%	5.3%	DS/NHES
Fatal motor vehicle accidents	111	108	105	107	DS
Number of fatalities	123	122	119	118	DS
Percent alcohol involved	25%	35%	36%	30%	DS
Fatalities per 100 million vehicle miles	1.22	1.18	1.11	1.12	DT
<b>AUTO INSURANCE CLAIMS LOSS</b>					
Total Claims (\$ millions)	\$293.8	\$292.8	\$305.3	\$317.8	ID

After a 1994 surge in total criminal arrests, the number was down by 3.0 percent to 35,400 in 1995. Total adult arrests were down 4.3 percent. Drug offenses and driving while intoxicated (DWI) offenses decreased 2.8 percent and 7.3 percent respectively. Total juvenile arrests were up by 1.9 percent. Juvenile arrests continued to rise in both drug offenses and DWI, although the 5.8 percent increase in drug offense arrests did not remotely approach the phenomenal 92.6 percent increase of 1994. Juvenile DWI offense arrests were up by 16.9 percent.

Numbers of prisoners in the New Hampshire State Prison continued a steady upward climb, with 2,087 prisoners, an incarceration rate of 181.8 prisoners per 100,000 population. This figure includes mental health unit incarcerations as well as those in home incarcerations. For a prisoner to qualify for home incarceration, a very stringent set of criteria must be met. The prisoner, who must wear a tracking bracelet, has an extremely limited range of movement. Although currently only seven people are qualified for home incarceration, state corrections officials are hoping to expand the program since prisoners are responsible for their own living expenses, a substantial savings to taxpayers. The average monthly probation caseload, up by 3.6 percent, was 5,583 including those on probation, parole, and bail supervision.

### "Deadbeat Dads"

The top ten most-wanted "deadbeat dads" poster is proving to be successful in bringing non-supportive parents to justice. The poster displays parents wanted for lack of child support payment. Arrest warrants are issued and offenders' names are entered into the National Crime Information Computer. The poster is also put out on the Internet. The most recent issue of a top ten poster, posted at the beginning of November 1996, resulted in the arrest of four "deadbeat dads" in two weeks time.

Fatal Accidents Were Slightly Up, but both Fatalities and Alcohol-involved Fatal Accidents Were Slightly Down

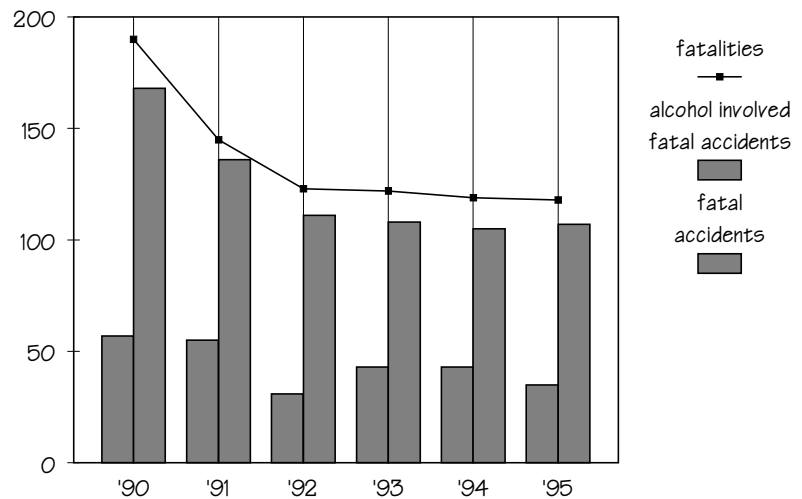


Figure 16.b: Fatal Accidents, 1990-1995

Authorities already have leads on the other six as well. When the last poster was issued, all ten non-supportive parents were apprehended within a year and a half.<sup>2</sup>

### Traffic Accidents and Injury

Both traffic accidents and injuries were on the rise in 1995. Total traffic accidents reported were up 8.2 percent to 28,301 and total injuries reported were up 5.3 percent to 11,508. Fatal accidents, however, showed little change from 1994, with 107 motor vehicle accidents resulting in 118 fatalities. Of those accidents with fatalities, 35 (30 percent) were alcohol-related, a decrease from 1994's 36 percent. Fatalities per 100 million vehicle miles also showed virtually no change, going from 1.11 in 1994 to 1.12 in 1995.

Automobile insurance claims loss increased along with the increase in accident rates, going from \$305.3 million in 1994 to \$317.8 million in 1995, about a four percent rise.

*Katrina Evans*

<sup>1</sup> Morgan Quinto Crime State Rankings 1996, Morgan Quinto Press, June 1996

<sup>2</sup> Rose, Derek, "NH Deadbeat Dad Arrested in Ohio," *Manchester Union Leader*, November 26, 1996

## 17. ENVIRONMENT

The U.S. Environmental Protection Agency sets national air quality standards. These are measured in micrograms per cubic meter ( $\mu\text{g}/\text{m}^3$ ) or in parts per million (ppm). Ambient air quality is measured for levels of carbon monoxide (CO), lead (Pb), nitrogen dioxide ( $\text{NO}_2$ ), ozone ( $\text{O}_3$ ), suspended particle matter, and sulfur dioxide ( $\text{SO}_2$ ). Carbon monoxide deprives the brain and heart of oxygen while lead causes brain

volatile organic compounds (VOC), and plants that emit methanol and trichloroethanol or any other of the 189 regulated substances. In 1994 the New Hampshire Legislature passed a law allowing businesses to trade emission credits. If a new manufacturer in the southern part of the state will emit  $\text{NO}_x$  or VOC, it will be required to buy emission credits. If the emissions are less than expected, they can either sell credits to another firm or keep them for future expansion. By encouraging businesses to find creative ways to reduce pollution, it should help companies to meet the minimum standards of the 1990 Clean Air Act.

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### Automobile exhaust is responsible for about half of the state's air pollution.

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damage. Ozone, nitrogen oxides, sulfur dioxide, and suspended particulate matter cause respiratory tract problems, eye irritation, and lung damage. Automobile exhaust, according to the New Hampshire Division of Air Resources, is responsible for about half of the state's air pollution. Automobile exhaust combined with sunlight causes smog. Concern about automobile emissions sparked the Environmental Protection Agency (EPA) to amend the Clean Air Act in 1990. The amendment called for a fifteen percent reduction from 1990 emissions levels by 1996. The state Department of Environmental Services demonstrated in the summer of 1996 that a reduction of more than 18 percent had been achieved. Implementation of an emissions testing program is now being held up in the New Hampshire legislature until at least July 1997 while state and EPA officials negotiate over interpretations of the amendment's requirement for emission testing. At issue is whether federal law requires emission testing regardless of whether the 15 percent standard is met.

Other sources of pollution are coal burning plants, the transportation industry, printers, manufacturers who discharge nitrogen oxides ( $\text{NO}_x$ ) or

### Air Quality Monitoring Data

There were no observed exceedances at either of the two CO monitoring sites in New Hampshire of the 35 ppm one-hour limit for carbon monoxide. The Nashua site reported an exceedance (11.5 ppm) of the eight-hour average limit of 9 ppm. The second highest eight-hour average at Nashua was 7.6 ppm.

New Hampshire discontinued lead monitoring because air quality levels were well below 0.1 percent of the national ambient air quality standard (NAAQS) of  $1.5 \mu\text{g}/\text{m}^3$ .

Nitrous dioxide monitoring was performed at sites in Manchester and Portsmouth. Both sites showed a slight decline over the last five years and levels which were well below the NAAQS for  $\text{NO}_2$  of  $100 \mu\text{g}/\text{m}^3$ .

The Rye Harbor ozone monitoring site reported violations of the  $\text{O}_3$  standards for the third straight year with three days above the air quality standard of 0.125 ppm. Of the six remaining sites, Portsmouth came closest to exceeding the standard with a high reading of 0.123 ppm.

There were no exceedances of the particulate standards recorded at thirteen monitoring sites. The highest 24-hour values were at Groveton where the second maximum value of  $88 \mu\text{g}/\text{m}^3$  was 59 percent of the daily standard. The second highest of maximum readings recorded is important because the absolute maximum reading might be an anomaly. The maximum annual average was in Berlin where a concentration of  $37 \mu\text{g}/\text{m}^3$  equaled 74 percent of the NAAQS.

Eleven sulfur dioxide monitoring sites reported no exceedances. The highest arithmetic annual mean was reported in Manchester - 21 percent of the EPA standard. Pembroke reported the highest 24-hour second maximum of  $110 \mu\text{g}/\text{m}^3$  or 30 percent of the standard as well as the highest 30-hour second maximum of  $455 \mu\text{g}/\text{m}^3$ , 35 percent of the NAAQS.

## Water Quality

The Clean Water Act of 1972 was passed by Congress with the intent of monitoring and reducing the amount of pollution directly discharged into any water sources. Businesses that discharge water into existing waterways are required to have a National Pollution Discharge Elimination System permit, issued by the New Hampshire Department of Environmental Services (DES). Metallic and organic pollutants must be discharged back into outside water sources at lower concentrations than naturally occur in the surrounding area. Firms must also be concerned with the toxicity of water being sent to publicly owned treatment facilities and the heat of water being released to sources outside the plant.

The DES is responsible for monitoring all water sources in the state. In 1988 state legislation established a program intended to protect significant rivers through the cooperation of state and local governments. In 1993 eleven rivers were designated as protected and were to be managed for the best interests and

overall usage of the waterways, to include protection measures related to dams, hydro- electric facilities, channel alterations, water quality, and any other activity that would adversely affect the river. A river may be nominated to be "significant" by submission of an inventory of the rivers' resources to the DES commissioner. After review and a public hearing, the commissioner then forwards the nomination to the legislature for adoption of a bill designating the river as significant.

The 1994 DES report to Congress conveyed that 99.6 percent of streams and rivers in the state (of 10,881 miles surveyed) and 90.2 percent of lakes and ponds (161,384 acres) are "fully supportive" of all uses. Water assessment is based on bacteriological, physical, and chemical analysis taken during dry weather.

A water quality verification study, published in 1995, indicated that forty-four stream segments met the federal requirements established in the Water Quality Act of 1987, and will be removed from the exceedance list of 109 stream segments. Twenty-five stream segments were found to have naturally occurring water exceedances, seventeen caused by wetlands.

Fully Swimmable Miles of Rivers and Streams Expanded

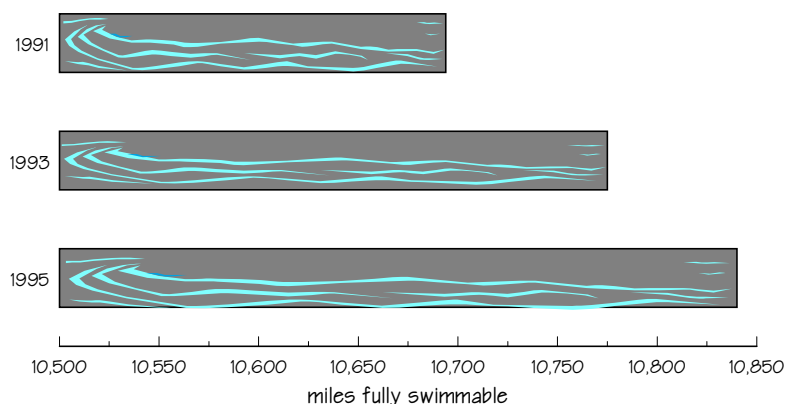


Figure 17.a: Miles of Rivers and Streams Fully Supporting Swimming 1991, 1993, and 1995

17. ENVIRONMENT	1992	1993	1994	1995	Source
<b>AIR QUALITY</b>					
Ozone levels (ozone season April 1 to October 31):					
Average four highest maximum hourly values					
in parts per million, selected monitoring sites					
Manchester	0.093	0.101	0.091	0.093	EPA
Nashua	0.102	0.119	0.104	0.088	EPA
Portsmouth	0.103	0.104	0.111	0.112	EPA
Rye	0.117	0.111	0.121	0.130	EPA
Days above federal standard (0.125 ppm)	0.0	3.0	2.0	3.1	EPA
Carbon Monoxide:					
Second maximum eight-hour concentration					
[Federal standard 9 ppm (parts per million)]					
Manchester	6.4	4.5	6.9	5.9	EPA
Nashua	7.2	5.8	9.2	7.6	EPA
<b>WATER QUALITY</b>					
Lakes and ponds:					
Total acres assessed	n/a	160,952	n/a	161,384	WSP
Fish Consumption:					
Acres Fully Supporting <sup>a</sup>	n/a	160,952	n/a	161,384	WSP
Aquatic Life:					
Acres Fully Supporting	n/a	147,418	n/a	145,563	WSP
Acres Partially Supporting	n/a	4,211	n/a	6,008	WSP
Acres Not Supporting	n/a	3,064	n/a	4,525	WSP
Acres Not Assessed <sup>a</sup>	n/a	6,258	n/a	5,288	WSP
Swimming:					
Acres Fully Supporting	n/a	145,382	n/a	150,910	WSP
Acres Partially Supporting	n/a	4,989	n/a	4,505	WSP
Acres Not Supporting	n/a	3,794	n/a	322	WSP
Acres Not Assessed	n/a	6,787	n/a	5,647	WSP
Rivers and streams:					
Total miles assessed	n/a	10,881	n/a	10,881	WSP
Fish Consumption:					
Miles Fully Supporting	n/a	10,868	n/a	10,868	WSP
Miles Not Supporting <sup>a</sup>	n/a	13	n/a	13	WSP
Aquatic Life:					
Miles Fully Supporting	n/a	10,806	n/a	10,852	WSP
Miles Partially Supporting	n/a	67	n/a	26	WSP
Miles Not Supporting <sup>a</sup>	n/a	8	n/a	3	WSP
Swimming:					
Miles Fully Supporting	n/a	10,775	n/a	10,840	WSP
Miles Partially Supporting	n/a	32	n/a	23	WSP
Miles Not Supporting <sup>a</sup>	n/a	74	n/a	18	WSP
<b>SOLID WASTE (thousand tons per year) Disposed</b>					
of in New Hampshire					
New Hampshire Sources	1,109	1,113	1,153	1,149	WMD
Imported Sources <sup>b</sup>	415	571	623	704	WMD

<sup>a</sup> This data does not include the statewide freshwater fish consumption advisory due to mercury which was issued by the N.H. Department of Health and Human Services in 1994. The primary source of mercury is believed to be atmospheric deposition from upwind states. Other New England states have similar fish consumption advisories in effect.

<sup>b</sup> The destination for nearly 80 percent of this imported waste in 1994 was the Turnkey Commercial Lined Landfill in Rochester.

Reasons for cleaning up the state's water resources are more pervasive than just making the water "swimmable" or "fishable." Polluted water is likely to have an effect on animals drinking the water. This effect will continue up the food chain. Furthermore, clean water promotes vegetation along the banks. This inhibits erosion.

Within this state, particularly in the northern portion, there is much concern about government intrusion. Individuals, business, and government must strike a balance. All participants need to be given a voice.

### Solid Waste Management

Until the mid 1970s most solid waste was disposed of in landfills or town dumps. With the passage of the Resource Conservation and Recovery Act of 1976, cities and towns began to develop nonpolluting methods of solid waste disposal. In 1994 landfills still handled 73.4 percent of New Hampshire's solid waste. In 1992 landfills still handled 73.4 percent of New Hampshire's solid waste, but by 1994 that percentage had increased significantly to 47.6 percent of the solid waste disposed of in New Hampshire (see Fig. 17.b).

Incinerators were hailed as the wave of the future in the 1970s and the 1980s. Their numbers did not increase in the 1990s, likely because of the passage of the Clean Air Act of 1990. It set strict standards on the amount of dangerous or offensive emissions allowed. There are now fourteen incinerators that handle municipal waste. Two closed during 1996. The closing of the Durham facility brings the number of the state's waste-to-energy incinerators to two. Incinerators managed 17 percent of all waste disposal in 1993, down from over 24 percent in 1992. Of the two incinerators with waste-to-energy facilities, by far the largest is the one located in Concord. It handled 184,829 tons in 1994, more than two and

Between 1992 and 1994 a Major Shift Occurred from Unlined to Lined Landfills

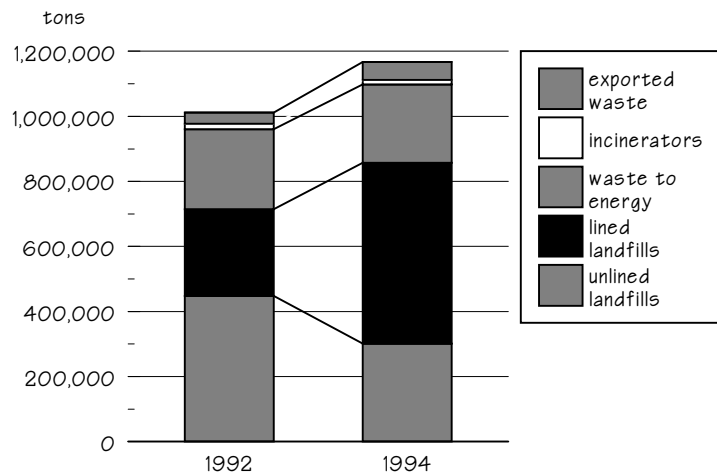


Figure 17.b: Solid Waste Disposal Methods, 1992 & 1994

one half times the volume of the other facility, which is located in Claremont. The twelve incinerators with no waste-to-energy facilities have capacities ranging from 6,200 tons per year to as little as 290 tons per year.

Nearly half of all solid waste disposed of in New Hampshire is received by the Turnkey lined landfill in Rochester which is privately owned by Waste Management, Inc. With the projected closure of the state's remaining unlined landfills and small incinerators, this facility is the cornerstone of New Hampshire's medium and long-term disposal outlook. As part of its permit conditions, it is committed to provide 15 years of disposal capacity for the state's solid waste. At the same time it is handling an increasing amount of imported waste. Massachusetts has declared a two-year moratorium on new disposal facilities. It expects to close by 1999 over 90 currently operating unlined landfills with a combined annual capacity of 1,000,000 tons. Massachusetts is the major exporter of waste to New Hampshire. In 1995 the Bay State sent over 465,000 tons of waste into New Hampshire.

*Peter S. Bartlett*

## DIRECTORY OF SOURCES

<b>Abbreviation</b>	<b>Provider</b>
<b>AS</b>	New Hampshire Department of Administrative Services
<b>AR</b>	New Hampshire Association of Realtors
<b>BD</b>	New Hampshire Banking Department
<b>BEA</b>	Bureau of Economic Analysis, United States Department of Commerce
<b>BFA</b>	New Hampshire Business Finance Authority
<b>BKR</b>	Administrative Office of United States Courts
<b>BLS</b>	Bureau of Labor Statistics, United States Department of Labor
<b>CB</b>	Bureau of the Census, United States Department of Commerce
<b>DC</b>	New Hampshire Department of Corrections
<b>DE</b>	New Hampshire Department of Education
<b>DHS</b>	Division of Human Services, New Hampshire Department of Health and Human Services
<b>DJ</b>	United States Department of Justice
<b>DRED</b>	New Hampshire Department of Resources and Economic Development
<b>DS</b>	New Hampshire Department of Safety
<b>DT</b>	New Hampshire Department of Transportation
<b>EC</b>	Electric Council of New England
<b>EEI</b>	Edison Electric Institute Statistical Yearbook
<b>EIA</b>	Energy Information Administration, United States Department of Energy
<b>EPA</b>	United States Environmental Protection Agency
<b>F&amp;G</b>	New Hampshire Department of Fish and Game
<b>FBI</b>	Federal Bureau of Investigation
<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>FR</b>	Federal Reserve Bank of Boston
<b>FWD</b>	F.W. Dodge, McGraw Hill Publishing Company
<b>HA</b>	New Hampshire Hospital Association
<b>HFA</b>	New Hampshire Housing Finance Authority (NHHFA)
<b>ID</b>	New Hampshire Insurance Department
<b>LC</b>	New Hampshire Liquor Commission

<b>Abbreviation</b>	<b>Provider</b>
LD	New Hampshire Department of Labor
MBA	Mortgage Bankers Association of America
NAR	National Association of Realtors
NEEP	New England Economical Projects
NHES	New Hampshire Employment Security
OCC	Federal Office of Comptroller of Currency
OFS	Federal Office of First Supervision
OBID	Office of Business and Industrial Development, New Hampshire Department of Resources and Economic Development
OSP	New Hampshire Office of State Planning
PA	New Hampshire Port Authority
PEC	New Hampshire Postsecondary Education Commission
PM	New Hampshire Pari-mutuel Commission
PS	United States Postal Service, Manchester Field Division
PSNH	Public Service Company of New Hampshire
CTC	New Hampshire Department of Postsecondary Community Technical Education
RA	New Hampshire Department of Revenue Administration
SMM	Sales and Marketing Management
SSA	United States Social Security Administration
SST	New Hampshire Office of Secretary of State
UED	United States Department of Education
UIS	United States Department of Labor, Unemployment Insurance Service
VS	Bureau of Vital Records/Health Statistics, Division of Public Health Services, New Hampshire Department of Health and Human Services
WMD	Waste Management Division, New Hampshire Department of Environmental Services
WSP	Water Supply and Pollution Control Division, New Hampshire Department of Environmental Services

## GLOSSARY AND INDEX

### **Aid to Families with Dependent**

**Children (AFDC):** A federal/state program through the New Hampshire Division of Human Services providing cash benefits to needy families with dependent children. (*Section 14*)

**Air Quality Standards:** The quality of air, as monitored at various sites throughout the state for the following pollutants: lead, ozone, nitrogen oxide, carbon monoxide, sulfur dioxide, and suspended particulate matter. (*Section 17*)

### **Alcohol-Involved Traffic Accident:**

Either driver, biker, or pedestrian reported consuming alcohol prior to the accident (blood alcohol level of .04 or above). (*Section 16*)

**Applicant:** A person who contacts a local office of New Hampshire Employment Security to seek employment or obtain employability development services. An applicant active at anytime during a program year may have applied more than once during a twelve month period but is only counted once. (*Section 3*)

**Assisted-Rental Housing:** Several programs provide both project-based and certificate-based financial assistance for low income housing renters including NHHFA (New Hampshire Housing Finance Authority), HUD (U.S. Dept. of Housing and Urban Development), FmHA (Farmers' Home Administration), and local housing agencies. (*Section 9*)

**Average Weekly Earnings, Production Workers:** Average total money earnings of production or nonsupervisory workers in the survey week, including overtime, paid vacation, and sick leave. This data is based on a monthly sample. (*Section 13*)

### **Benefits Paid, Unemployment Insurance:**

The money payable to an individual as compensation for wage losses due to unemployment. Includes benefits paid on wages earned in private industry, state and local government, and nonprofit organizations plus interstate benefits, adjusted for benefit recoveries, and for transfers under the interstate combined wage plan. (*Section 3*)

**Birth Rate:** Number of resident live births per 1,000 resident population (midyear). (*Section 1*)

**British Thermal Units (Btu):** The quantity of heat needed to raise the temperature of one pound of water by one degree Fahrenheit at or near 39.2 degrees Fahrenheit. (*Section 6*)

**Civilian Labor Force:** The noninstitutional civilian population age sixteen and over who are willing and able to work and who are either employed or actively seeking employment. (*Section 3*)

**Constant Dollars:** see *Current Dollars*

### **Consumer Price Index for Urban**

**Consumers (CPI-U):** A measure of the average change in the prices paid by urban consumers for a fixed market basket of goods and services. This index represents the buying habits of about 80 percent of the noninstitutional population of the United States. The current index uses a basket of goods and services surveyed in 1982 through 1984; the bundle's cost in 1982-84 prices is set equal to 100 and all price changes are relative to the base prices. A CPI is not prepared specifically for New Hampshire, so generally the index for the entire United States is used. (*Section 13*)

**Contract Value Indices:** Value of construction contracts. *Total Construction:* Index of value of contracts let for new construction, additions, and major alterations, but not for maintenance. *Nonbuilding Construction:* highways, bridges, dams, utility systems, airports, etc. *Nonresidential Building Construction:* stores, factories, offices, hospitals, schools, etc. *Residential Construction:* single and multiple unit houses, hotels, motels, and dormitories. (Section 9)

**Current Dollars vs. Constant Dollars:** A means of allowing comparison of values over an extended time period. "Current dollars" is the amount enumerated at the time of the compilation of the data. "Constant dollars" is the amount, adjusted for inflation, occurring since the designated year. (Section 7)

**Death Rate, Crude:** Number of resident deaths per 1,000 resident population (midyear). (Section 1)

**Defense Contracts:** Awards made in fiscal year specified; related expenditures may extend over several years. (Section 7)

**Disability Benefits under Social Security:** For purposes of entitlement to benefits, disability is defined as the inability to engage in any substantial gainful activity, by reason of medically determinable physical or mental impairment severe enough to render the person unable to engage in any kind of substantial gainful work, regardless of availability of such work. (Section 14)

**Disposable Income:** see *Personal Income*

**Divorce Rate:** Number of divorces, annulments, and legal separations per 1,000 resident population (midyear). (Section 1)

**Durable/Nondurable Goods:** In both the manufacturing division and the wholesale trade division of the Standard Industrial Classification Manual, products are classified according to the estimated length of the life of the product. Durable is equipment or machinery normally expected to last longer than three years. (Section 4)

**Duration, Average, of Benefit Payments:** Number of weeks compensated for unemployment during the year divided by the number of first payments. May include more than one period of unemployment. (Section 3)

**Earnings:** see *Average Weekly Earnings*

**Electric Utility:** A corporation, person, agency, authority, or other legal entity or instrumentality that owns and/or operates facilities for the generation, transmission, distribution, or sale of electrical energy, primarily for use by the public, and that files forms listed in the Code of Federal Regulations, Title 18, Part 141. Facilities that qualify as cogenerators or small power producers under the Public Utility Regulatory Policies Act are not considered utilities. (Section 6)

**Energy Consumption:** Statistics include use of various forms of petroleum, natural gas, coal, nuclear fuels, and hydroelectric generation but exclude wood, waste, wind, solar, and photovoltaic sources. Physical units are converted to Btu. Adjustments to state data are made for interstate sales and include electrical system energy losses incurred in generation, transmission, and distribution of electricity plus plant use and unaccounted for electrical system energy losses. Data is gathered from a variety of surrogate measures selected on the basis of availability, applicability as an indicator of consumption, continuity over time, and consistency. (Section 6)

**Energy Generated, Net:** The total amount of electric energy (kilowatt-hours) produced by the generating units in a generating station less the kilowatt-hours consumed for station use. (*Section 6*)

**Establishment:** A single physical location at which business is conducted or where services or industrial operations are performed. All activities at the location are reported under the major activity. A "unit" may be made up of multiple "establishments." (*Section 5*)

**FmHA:** Farmers' Home Administration. (*Section 9*)

**Fuel Consumed to Generate Electricity:** Fuel required by all types of electricity generating plants. Coal, gas, and nuclear fuels are shown in equivalent barrels of oil. Oil is shown in 42 gallon barrels. One barrel of oil equals 0.276 tons of coal or 5.965 mcf (thousand cubic feet) of gas. (*Section 6*)

**Food Stamp Program:** A federal government-sponsored program to increase the buying power and the nutritional level of low income families. (*Section 14*)

**Gross Domestic Product (GDP):** A measure of the market value of final goods and services produced by labor and property located in the United States. The workers and, for property, the owners may be either U.S. residents or residents of a foreign country. For information on how the concepts of GDP and GNP differ, refer to the August 1991 issue of *Survey of Current Business*. (*Section 7*)

**Gross National Product (GNP):-** A measure of the goods and services produced by labor and property supplied by U.S. residents in the United States or abroad. This measure has been generally replaced by the GDP. (*Section 7*)

**Gross State Product (GSP):** The state counterpart of the nation's gross domestic product (GDP). It is a measure of the market value of final goods and services produced by labor and property located in the state. (*Section 7*)

**High School Graduation Rate:** The percentage of ninth graders who receive a regular high school diploma four years later. For example: the graduation rate for 1995 is for students who were in the ninth grade in the fall of 1991. Graduation rates have been adjusted for interstate migration and unclassified secondary school enrollment. (*Section 2*)

**High Tech Industries:** Industries with a proportion of technology-oriented workers (engineers, life and physical scientists, mathematical specialists, engineering and science technicians, and computer specialists) at least 1.5 times the average for all industries. High tech may also be defined by the amount of research and development expenditures or a combination of technology-oriented workers and R&D expenditures. (*Section 5*)

**Home Sales of Existing Homes:** Estimates based on multiple listing data. Projections are made with the cooperation of the National Association of Realtors. Data primarily consists of existing units of single family homes, town houses, condominiums, and cooperatives. Multiple units are excluded. (*Section 9*)

**HUD:** Department of Housing and Urban Development (*Section 9*)

**Implicit Price Deflator (IPD) for**

**GDP:** The ratio of GDP (gross domestic product) in current dollars to GDP in constant dollars. Prices of goods and services are surveyed in the current year and divided by prices of those same goods and services in the base year to yield the IPD. (*Section 13*)

**Inadequate Prenatal Care:** A pregnancy with no care or where care began during the third trimester. (*Section 1*)

**Incarceration Rate:** The number of persons confined in prison per 100,000 people in the state's resident population. Department of Justice rates pertain to prisoners from New Hampshire with sentences over one year, including those under either federal or state jurisdiction. (*Section 16*)

**Indexed Crime:** Selected offenses used to gauge fluctuations in the overall volume and rate of crime reported to law enforcement. The offenses included are the violent crimes of murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault; and the property crimes of burglary, larceny/theft, motor vehicle theft, and arson. (*Section 16*)

**In-migration:** That part of the increase in the population not attributable to the natural increase rate. Generally, this is the populace moving to New Hampshire from an out-of-state residence. (*Section 1*)

**Inpatient Days:** The number of days that patients (excluding newborns) spend in a hospital, including the day of admission but not the day of discharge. (*Section 15*)

**Labor Force Participation Rate**

**(Civilian):** The percentage of the civilian noninstitutional population age sixteen or older that is working or looking for work. (*Section 3*)

**Labor Force, Total:** The civilian labor force plus those in the armed forces. See also *Civilian Labor Force* (*Section 3*)

**Late Prenatal Care:** Prenatal care that does not begin until the third trimester of pregnancy. (*Section 1*)

**Manufacturers' Shipments:** The received or receivable net selling values, FOB plant (exclusive of freight and taxes), of all products shipped, both primary and secondary, as well as miscellaneous receipts, such as receipts for contract work for others, installation and repair, sales of scrap, and sales of products bought and resold without further processing. (*Section 7*)

**Marriage Rate:** Number of marriages per 1,000 resident population (mid-year). (*Section 1*)

**Meals and Rooms Receipts:** Based on taxes received from hotels, motels, restaurants, and other eating and drinking establishments under Meals and Rooms tax authority. The rate was seven percent before April 1991 and eight percent starting April 1991. After July 1, 1993, it included a tax on hospital rooms. (*Section 8*)

**Medicaid:** A joint governmental program known as Title XIX of the Social Security Act. The program provides medical assistance to low income individuals and families. Currently it is the largest jointly funded cooperative program between federal and state governments to assist states in the provision of health services to the poor. (*Section 14*)

**Medicare:** A federal program providing hospital insurance and supplementary medical insurance for persons who are eligible for retirement benefits and have attained the age of 65, disabled persons entitled to social security disability benefits, and workers or their dependents with permanent kidney failure. Medicare's official name is Title XVIII of the Social Security Act. (Section 14)

**Natural Increase Rate:** The number of resident births minus deaths per 1,000 total resident population. (Section 1)

**Nonfarm Wage and Salary Employment:** Place of work employment that does not include private household workers, self-employed, unpaid family workers, and domestics or agricultural workers. (Section 4)

**Nondurable Goods:** see *Durable Goods*.

**Nonperforming Loans:** Loans and leases 90 days or more pastdue or in nonaccrual status. (Section 11)

**OASDI:** Old-Age and Survivors Insurance and Disability Insurance. See *Social Security*.

**Occurrences:** Births, deaths, and other vital events that are recorded regardless of residence. (Section 1)

**Pari-Mutuel:** A system of wagering where the bettors who wager on competitors placing in the first three positions share the total pool minus a percentage for the management. (Section 8)

**Part-Time Work:** Work that is less than 35 hours per week. (Section 3)

**Personal Income:** The current income received by all the residents of the state from all sources, including wages and salary disbursements, other labor income, proprietors' income, rental income, interest, dividends, and transfer payments; less personal contributions for social insurance. *Per Capita Personal Income* is personal income divided by the July 1st resident population. *Disposable Personal Income* is personal income less tax and nontax payments. (Section 13)

**Poverty:** Total money income (wages, transfer payments, unearned income, etc.) for a year, below designated poverty thresholds based on the cost of a nutritionally adequate food plan, with variations for family size, adjusted annually according to the Consumer Price Index. (Section 14)

**Property Tax Rates, Equalized:**  
A uniform standard for comparing tax rates between towns and counties. (Section 12)

**Property Tax Rates, Full Value:** The tax rate if property were assessed at its full market value. Rates represent tax on each \$1,000 of a property's market value. (Section 12)

**Property Tax Assessment Ratio:** The full value assessment ratio is a comparison between current assessments (local tax rate) and full market value (full value tax rate). (Section 12)

**Rural Traffic Count:** Automatic traffic counter data recorded on NH and US roadways designated as rural areas. Data is collected and reported by the Department of Transportation, Bureau of Transportation Planning. (Section 10)

**Scholastic Assessment Test Score:**

Mean test score for all students in the state who took the SAT exam during the designated academic year.

(Section 2)

**Social Security:** National Old-Age and Survivors Insurance and Disability Insurance (OASDI). The largest income maintenance program in the United States. Provides monthly cash benefits to individuals or their families to replace, in part, the income lost when a worker retires in old age, becomes severely disabled, or dies. Coverage is nearly universal, including about ninety-five percent of the jobs in this country. Funds come primarily from taxes on earnings in covered jobs and matching funds paid by employers and the self-employed. (Section 14)

**Taxable Property Valuation:** Equalized valuation per capita in constant 1983 dollars. The equalized valuation reflects, insofar as possible, the true and market value of all taxable property in each community as determined by the Department of Revenue Administration. (Section 12)

**Time and Savings Deposits:** The sum of money market deposit accounts, savings deposits, time deposits, and individual retirement (IRA) and Keogh accounts. The data are monthly averages of daily dollar figures. (Section 11)

**Transfer Payments:** Part of personal income which includes Social Security benefits, unemployment insurance benefits, veterans benefits, government employment retirement, AFDC, etc. (Section 13)

**Unemployed:** Persons who were not employed during the monthly survey week but were available for work and were overtly engaged in a job seeking activity within the previous four week period, waiting to be recalled from a layoff, or waiting to report to a new job within thirty days. (Section 3)

**Unit in Private Covered Employment:**

Any employer whose workers are covered by New Hampshire Unemployment Compensation law. In general, covered employers include any individual or organization who employs one or more workers within the state during the year. Examples of those exempted from unemployment compensation coverage are the self-employed, the employees of railroads, and employees of religious organizations. A single unit may have employment in more than one physical location (see *establishment*) in the state or even in a city or town. (Section 5)

**Unrestricted Revenue:** Moneys received by the state which may be appropriated by the Legislature for any purpose without constitutional limitations. (Section 12)

**Value Added by Manufacture:** A measure of manufacturing activity used for comparing the relative economic importance of manufacturing among industries and geographic areas. The cost of materials, supplies, fuels, etc. are subtracted from the value of shipments plus receipts for services rendered, and adjusted by adding value added by merchandising plus net change in finished goods and work-in-process between the beginning and the end of the year. (Section 7)

**Vehicle Registration:** A count of the registration certificates on file at the Department of Safety at the end of each calendar year. The definitions of passenger autos versus trucks are now based on body styles and not usage. Included in passenger auto registrations are two- and four-door cars, hatchbacks, station wagons, and all-purpose autos. Truck registrations consist of motor vehicles with body styles to carry cargo. Some of the styles incorporated are pickups, vans, school buses, and tractor trailers. Trucks are no longer assigned a commercial registration unless intended for business use. (*Section 10*)

**Workers' Compensation:** Specifies the level of medical and disability income benefits to be paid to injured workers and bars the employee from suing the employer for the injury. (*Section 15*)

**Wages:** see *Average Weekly Earnings, Production Workers*

**Water Quality Classification:** Water quality status of the state's surface and ground waters, as reported to Congress per the requirements of Section 305(b) of the Water Quality Act. (*Section 17*)

**Weekly Benefit Amount, Average:** Benefits paid for total unemployment during the year divided by the number of weeks compensated. Payments for partial unemployment are excluded. State and local government benefits are included. (*Section 3*)

**Weeks Compensated for Unemployment:** Number of weeks of unemployment for which benefits were paid including both total and partial unemployment. Includes state and local government. (*Section 3*)